Eskom
National Transmission
Company South Africa ™

Enquiries: Yurisha Pillay
Contact Details: 011 800 2735
Email: reddyy@ntcsa.co.za
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Dear Sir/Madam

Tender Clarification 5 for Invitation to Tender: E1803NTCSAMWP

Query One:

Clause/Form/ParagraphTypical: Technical schedules A and B, 4 Current limiting reactors (indicate winding direction):

a) Please confirm whether the current limiting reactors (indicate winding direction) are required to be connected in series to the LV winding.
b) To ensure the normal parallel operation of the spare transformer and the original transformer, please confirm whether the winding arrangement diagram submitted by us is feasible.
c) To ensure the normal parallel operation of the spare transformer and the original transformer, please provide the maximum and minimum tap impedance of the tap changer between 765kV-33kV.
d) Please provide bushing layout vertical view or outline drawings.

Response:

a) These reactors are not mandatory but are allowed. It is the supplier's design that will dictate the size and the connection. They are intended to limit the fault current.
b) We are not at design review stage and cannot comment on your submission. We will evaluate the submission when it is officially at that stage. The impedances and their slope must match the existing units.
c) There is no paralleling on the 33kV and there is no specific impedance values required as indicated in the schedules A
d) The supplier will provide the outline drawings; we do not share other suppliers' information with the other suppliers

Query Two:

Section: Activity Schedule TX Class 4, Rev 1, Act Sch 010 to 250:

In the cells of "RoE Currency" which corresponds to Activities "Site Visit" and "Local Inland Transport"(i.e. the cells "O56" and "O57"), the formulas to calculate the exchange rate seems to be missing, please kindly check and clarify.

Response:

Cells O56 and O57 are correctly missing formulas; please copy the formula from the preceding cell (e.g., O55).

Query Three:

Section: Activity Schedule TX_ Class 4, Rev 1, Act Sch 010 to 250:

In the cell of sum of "Payment upon Design Completion"(i.e. the cell "Q69"), the formula seems to be wrong, it should be "=SUM(Q20:Q68)" instead of "=SUM(Q20:R68)". Please kindly check and clarify.

Response:

The formula should be "=SUM(Q20:Q68)" instead of "=SUM(Q20:R68)"

Query Four:

Section: Activity Schedule TX_ Class 4, Rev 1, Summary:

In the cells "Q70" and "R70", the formulas to calculate the sums seem to be wrong, they all should be "=SUM(L70:P70)", please kindly check and clarify.

Response:

"Q70" shall be "=SUM(L70:P70)"and "R70" shall be "=SUM(R40:R69)"

Query Five:

Section: ITT, Activity Schedule:

a) According to the tender, the framework agreement is for 8 years with a possible 2-year extension. Does the price that a bidder is quoting at current stage cover this entire 8+2 year period?
b) Will suppliers who award the framework agreement be required to submit new quotes against each RFQ when NTCSA places an actual order?

Response:

a) This contract will operate as an enabling agreement. Tenderers are required to carefully consider their pricing structures and incorporate appropriate Contract Price Adjustment (CPA) formulas to account for potential market fluctuations. The price submitted at tender closing shall remain valid for the entire contract period, subject to adjustments in accordance with the CPA provisions applicable to those prices.
b) Suppliers are advised that enabling contracts will be concluded with the successful tenderers. Purchase orders will be issued under these enabling contracts as and when required. Please note that a panel contract will not be established, and separate Requests for Quotation (RFQs) will not be issued.

Query Six:

Section: NEC3 Contract-C3.1 SC3 Purchasers Goods Information,
2.3.3 Recommended Spares List: The Supplier supplies a list of recommended spares for the goods for the transformer after final design. This list includes item descriptions, reference numbers quantity recommended, prices, and guaranteed supply period:

Should the cost of recommended spare parts be calculated and included in the quotation this time?

Response:

If spare parts are required, it will be confirmed during design stage and the tenderer will be required to submit a quote and list by then, for now the tenderer must quote as per the activity schedule.

Query Seven:

Section: NEC3 Contract C1.2 SC3 Contract Data, Payment:

Please specify the payment milestones and the payment percentage for each milestone?

Response:

Tenderer to propose milestones if they want to be paid in milestones payment, NTCSA will review and approve the milestones proposed if acceptable. Example, Design completion 15%

Query Eight:

Section: ITT 3.18 Objective Criteria, Subcontracting: mandatory subcontracting of a minimum of 30% shall be applicable as a condition for contract award.:

What we understand is that 30 % subcontracting should mean 30% of the local portion. Because the local portion of this project is less than 10% of the total value of the project. Otherwise, we can only offer the best percentage as we can, meanwhile we need to offer Eskom the best price as we could. Please kindly clarify.

Response:

Please note that localization initiatives like sub-contracting only applies to local scope only. As a result 30% sub-contracting should be derived from the local content percentage of 10%.

Query Nine:

Section: C1.2a SC3 Contract Data by Purchaser,

Action: Import Formalities
Customs Clearance
Ensure benefits of Trade Agreements (where applicable)
Payment of Customs VAT, Customs Duties and any applicable levies
Party which does it: Supplier.:

For this project, as indicated by employer, the bidder needs to import the transformers. So according to South Africa's relevant law, when the supplier invoice Eskom for the foreign portion (the CIF port), they also need to invoice the relevant VAT portion to Eskom as well. Because besides they need to pay the customs the relevant duties, they also need to pay the relevant VAT as well. Since then, the activities which sell the goods to Eskom have already become local activities. So, they need to charge Eskom the relevant VAT. Please kindly clarify.

Response:

NTCSA will contract with local supplier on DDP and the supplier must carry out the scope for customs clearance including payment of customs VAT, the supplier will claim the VAT from SARS and not from NTCSA. Only international suppliers, NTCSA will carry out the scope for customs clearance.

Query Ten:

Section: SDL&I
Tender Returnable if the above element is a requirement; • Proof of a sub-contract agreement/s must be submitted.,

Please clarify does the tender must submit agreements at the tendering stage?

Response:

If the tenderer has already identified a subcontractor they may submit a subcontracting agreement. If the subcontractor has not already been identified, the tenderer mat submit a subcontracting intent agreement. This information forms part of objective criteria and it is not a disqualifier. However, all this information should be submitted at tender closing.

Query Eleven:

For the Strategic Spare Transformer, the delivery site is uncertain, so we would like to propose whether we can assume Megawatt Park as the final delivery location for the Strategic Spare transformers.

Response:

Refer to the revised activity schedule attached, "Copy of Activity Schedule TX_ Class 4 20251110 R3" under the commercial folder and the clarification folder. The sites are specified in the summary tab and the distance indicated to use for strategic spares is 1500km.

Query Twelve:

Please advise regarding the updated Schedule A&B from NTCSA for the 2000MVA 765kV Tx as I cannot locate it.

Response:

Please note that the updated technical schedule, **"ESKOM 667MVA 765_400_33 kV single phase (2025A)"** has been uploaded under the technical folder as well as the clarification folder.

Query Thirteen:

Is the price expected to be valid for the whole duration of the frame agreement (1-year tender validity, plus 8 years, plus the additional 2 years).

- Our proposal is that specific RFQs be issued (yearly or biannual) after the appointment of a panel of suppliers, where bidders will compete on price and lead time only.
- If the above is not taken into consideration this puts us in a difficult situation in terms of our supply chain management. This is because the current NTCSA pricing structure caters for volatile commodities only and 15% is fixed and firm, which doesn't cover all other non-volatile commodities.

Response:

Suppliers are advised that enabling contracts will be concluded with the successful tenderers. Purchase orders will be issued under these enabling contracts as and when required. Please note that a panel contract will not be established, and separate Requests for Quotation (RFQs) will not be issued.

As this contract will operate as an enabling agreement. Tenderers are required to carefully consider their pricing structures and incorporate appropriate Contract Price Adjustment (CPA) formulas to account for potential market fluctuations. The price submitted at tender closing shall remain valid for the entire contract period, subject to adjustments in accordance with the CPA provisions applicable to those prices.

Query Fourteen:

Please provide an estimation as to when the PO's will be placed and distributed over 8 years. This will allow bidders to plan the required factory slot allocations and to provide accurate lead times and pricing.

Response:

Please refer to an excel sheet, titled "List of Class 4 Power Transformers with CCD" issued with the tender under the commercial folder for estimated dates.

Query Fifteen:

Kindly clarify on the below item 10.

10	3.6.4 Insulation	**" For the Extra High Voltage (EHV) and Ultra High Voltage Units (UHV) units, it must be taken into consideration that switching surges can reach to about 3.0 pu. " Does this sentence refer to the switching impulse voltage? Please provide the switching impulse voltage corresponding to the following rated voltages for this project.**

Nominal system voltage "Un" (Um as per IEC)		
· HV	kV r.m.s	765/√3
· MV	kV r.m.s	400/√3
· LV	kV r.m.s	33
"Um" Maximum system voltage should be as per IEC (1.05 x Un continously)		

Response:

Yes, it refers to Switching impulse. The rule is that SI level is approximately 80% of the designated LI level. The LI impulse is 2150kV and therefore the SI is 1700kV. This is 1050kV for the 400kV terminal.

Query Sixteen:

Please note: the bushings approved supplier list is elapsing on the 31st of January 2026, kindly advise when will the new list be available.

1. Below is a list of factories that have been evaluated and are currently qualified for compliance with Eskom & NTCSA's technical and SHEQ specifications, and their accreditation is valid for supply of bushings as indicated below.

   1.1. BPG Nanjing Electric HV Bushing CO., Ltd for AC capacitive bushings up to 800kV
   1.2. Hitachi Energy Ltd, Switzerland for AC capacitive bushings up to 550kV
   1.3. Hitachi Energy Ltd Sweden for AC capacitive bushings up to 800kV and HVDC bushings.
   1.4. HSP Hochspannungsgeräte GmbH, Cologne Germany for AC capacitive bushings up to 800kV, and HVDC bushings.
   1.5. MCG Moser – Glaser AG, Switzerland for AC capacitive bushings up to 300kV
   1.6. Shandong ChinSun Electrical Equipment Co., Ltd. Zibo, China for AC capacitive bushings up to 550kV
   1.7. Xi'an Shendian High Voltage Electric CO., LTD for AC capacitive bushings up to 300kV

2. This letter is valid until 31 January 2026 or until communicated otherwise before then.

Response:

This expiry has nothing to do with this enquiry; the list was valid at the time of issuing to the market. A revised list will be available later but has no bearing to this tender.

Query Seventeen:

EPC Scope vs Pricing Structure

This tender includes the EPC-type activities (placement on foundation, installation, erection, testing and commissioning). However, the pricing schedules and commercial templates provided are designed exclusively for manufacture, supply and delivery, with no cost framework for construction or installation-related activities. Could NTCSA please confirm whether EPC execution is required, and if so, whether revised pricing schedules will be issued to cover construction-related cost items?

Response:

The nature of the scope entails the manufacture and supply of transformers. This scope is formulated in such a way that it speaks to Transformers OEMs and commits them to the design, construction/manufacture and supply of a transformer that is fully functional, and that when transported to site and connected to the grid (commissioning) can perform in terms of the required performance attributes. The BOQ provides for Delivery and Installation to Site (DDP), with installation on plinths and commissioning (cold commissioning).

Query Eighteen:

Performance Guarantees / Bonds:

a) Are transformer tenders not normally supply contracts and not EPC works?
b) As performance bonds are traditionally used for civil and EPC projects. Transformer tenders are OEM supply contracts where risks are mitigated through FAT, type tests, warranties and IEC compliance.
c) High-value guarantees reduce OEM participation and increase costs - Performance guarantees place unnecessary financial strain on OEMs, reducing competition and increasing tender prices.
d) We also believe that guarantees conflict with NTCSA's localisation and transformation objectives - Local partners cannot support high-value guarantees, which disadvantages the transformation requirements of the tender.
e) Alternative risk mitigation mechanisms exist - Retention, milestone-linked payments, warranty-backed indemnities and FAT-dependent acceptance are more suitable protections.

Response:

a) The association of this scope with an EPC contract scope may be misplaced. This scope entails the manufacture and supply of a commodity. The engineering, installation and commissioning part may give a connotation similar to an EPC contract but in this case, this simply entails the supply of a commodity (Transformers). Because these are big transformers, and not off the shelf items, the scope therefore requires designs to be submitted and accepted by the Employer. Key to this is that the designs must be in accordance with NTCSA Transformer specifications, hence the provision in the scope for design. Installation and commissioning is when the Transformers have been transported to site connected and proven for performance.

b) It's correct that Transformer contracts are OEM supply contracts. While risk mitigation strategies such as FAT, type tests, warranties and IEC compliance are provided in the specifications, NTCSA and Eskom also requires Bonds and Guarantees to be attached to such contracts to mitigate the risks of supplier non-performance. It costs Eskom/NTCSA a lot to take ownership of an incomplete project in the event of a supplier being liquidated or subjected to hardship due to internal dynamics. Therefore, bonds and guarantees, in addition to those identified, are used as risk mitigation

measures.

c) Its Eskom Policy to request suppliers to provide for Performance Bonds and other guarantees to mitigate the risk of supplier non-performance.

d) Suppliers are at liberty to submit proposals in respect of the requested guarantees and NTCSA will evaluate the proposals accordingly. But compliance with the requirements of the tender must be met so tenderers can be evaluated on a common base.

e) Retention and Milestone linked payments are also used. These are invoked when the supplier's financials are not sound. It is to be noted that Retention release is 50% at completion and 50% after the defects period. It may not be the most acceptable risk mitigation strategy for this scope of supply. Due to the contract that we are using, which is the NEC3 Supply Contract, NTCSA may opt to extend the Performance Bond expiry date to end of defects period.