



NEC3 Term Service Contract (TSC3)

**Between ESKOM HOLDINGS SOC LIMITED
(Reg No. 2002/015527/06)**

**and
(Reg No :)**

**For Provision of Repair of FGD Glass Fibre Reinforced
Plastic (GRP) Piping at Kusile Power Station -As and
When required for 5 years**

Contents:	No of pages
Part C1 Agreements & Contract Data	2
Part C2 Pricing Data	
Part C3 Scope of Work	20

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

**No of
pages**

C1.1 Form of Offer and Acceptance

C1.2a Contract Data provided by the *Employer*

C1.2b Contract Data provided by the *Contractor*

C1.1 Form of Offer & Acceptance

Offer

Title of the Contract: **Provision of Repair of FGD Glass Fibre Reinforced Plastic (GRP) Piping at Kusile Power Station -As and When required for 5 years**

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Option A	As per Price List	
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This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s) _____

Capacity _____

For the tenderer:

Name & signature of witness

Date

Tenderer's CIDB registration number:

N/A

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

- Part C1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
- Part C2 Pricing Data
- Part C3 Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)	..... Bongumusa A Mashazi	.....
Capacity	..... Power Station General Manager (Kusile PS)	.....
for the Employer	Eskom Holdings SOC Limited Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank

Name & signature of witness	Date
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Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the Employer prior to contract award

No.	Subject	Details
1	N/A	

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

1.1.1.1. For the tenderer:

1.1.1.2. For the Employer

Signature	.....	.....
Name	.....	Bongumusa A Mashazi
Capacity	.....	Power Station General Manager (Kusile PS
On behalf of	.....	Eskom Holdings SOC Limited Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank
Name & signature of witness	.....	.....
Date	.....	.....

C1.2 TSC3 Contract Data

2. Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	<p>dispute resolution Option</p> <p>and secondary Options</p>	<p>A: Priced contract with price list</p> <p>W1: Dispute resolution procedure</p> <p>X 1: Price adjustment for inflation</p> <p>X 2: Changes in the law</p> <p>X 17: Low service damages</p> <p>X 18: Limitation of liability</p> <p>X 19: Task Order</p> <p>X 20: Key Performance Indicators</p> <p>Z : Additional conditions of contract</p>
	of the NEC3 Term Service Contract (June 2005) ¹	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Limited (Reg No: 2002/015527/06), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	+27 11 800 8111
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	Sibusiso Vezi
	Address	Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank
	Tel	+27 13 699 7977

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

	e-mail	VeziSB@eskom.co.za
11.2(2)	The Affected Property is	Kusile Power Station
11.2(13)	The <i>service</i> is	Provision of Repair of FGD Glass Fibre Reinforced Plastic (GRP) Piping at Kusile Power Station -As and When required for 5 years
11.2(14)	The following matters will be included in the Risk Register	1. Poor response time by Contractor. 2. Non-compliance with site SHEQ requirements
11.2(15)	The Service Information is in	Part 3: Scope of Work and SHE Specification documents
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	24 hours
2	The Contractor's main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The <i>Contractor</i> submits a first plan for acceptance within	One week of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	01 February 2023
30.1	The <i>service period</i> is	60 th months
4	Testing and defects	No data is required for this section of the <i>conditions of contract</i> .
5	Payment	
50.1	The <i>assessment interval</i> is	25 th day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	Four weeks after invoice submitted and processed.
51.4	The <i>interest rate</i> is	(i) zero percent above the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no

such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

6	Compensation events	
	These are additional compensation events:	<p>Any work or task undertaken outside the agreed scope of work</p> <p>Any work or task undertaken outside the agreed price list</p> <p>Failure to return fire extinguishers within 5 working days of removal from site</p>
7	Use of Equipment Plant and Materials	Contractor to provide their own equipment and workshop
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	<ol style="list-style-type: none"> 1. Poor response time by Contractor. 2. Non-compliance with site SHEQ requirements 3. Community unrest around Kusile site 4. Technician incompetency
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	
83.1	The minimum amount of cover for insurance in respect of loss of or damage	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>

	to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i>.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	Four weeks / one month
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name)	The person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is	The latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	The Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the arbitration procedure does not state who selects an arbitrator, is	

12 Data for secondary Option clauses																					
X1	Contract Price Adjustment (CPA)																				
X1.1	The <i>base date</i> for indices is 01 May 2022																				
	The proportions used to calculate the Price Adjustment Factor are:																				
	<table border="1"> <thead> <tr> <th></th> <th>Proportion %</th> <th>linked to index for</th> <th>Index prepared by SEIFSA or any applicable index</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td>[•]</td> <td>[•]</td> </tr> <tr> <td>Labour Using Table C3</td> <td>[•]</td> <td>Labour</td> <td>[•]</td> </tr> <tr> <td>Transport</td> <td>[•]</td> <td>Transport</td> <td>[•]</td> </tr> <tr> <td>Fixed</td> <td>[•]</td> <td>non-adjustable</td> <td></td> </tr> </tbody> </table>		Proportion %	linked to index for	Index prepared by SEIFSA or any applicable index			[•]	[•]	Labour Using Table C3	[•]	Labour	[•]	Transport	[•]	Transport	[•]	Fixed	[•]	non-adjustable	
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Labour Using Table C3	[•]	Labour	[•]																		
Transport	[•]	Transport	[•]																		
Fixed	[•]	non-adjustable																			
X 2	Change in Law																				
X17	Low service damages																				
X 18	Limitation of Liability																				
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to 30% of the contract value																				
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx																				
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to The greater of <ul style="list-style-type: none"> • the total of the Prices at the Contract Date and • the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/live/content.php?ItemID=9248 																				
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to The total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for																				

- loss of or damage to samples or equipment
- death of or injury to a person and
- infringement of an intellectual property right.

X18.5 The *end of liability date* is **12 months after the end of the *service period*.**

X19	Task Order																			
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	24 hours of receiving the Task Order																		
X20	Key Performance Indicators	<table border="1"> <thead> <tr> <th>KPI</th> <th>Measure</th> <th>Penalty</th> </tr> </thead> <tbody> <tr> <td>Emergency and callouts response time</td> <td>4 hours</td> <td>2% of Task Order value</td> </tr> <tr> <td>Quality</td> <td>Zero rework</td> <td>3% of Task Order value</td> </tr> <tr> <td>Finance</td> <td>Zero Over expenditure</td> <td>0.5% of Task Order value</td> </tr> <tr> <td>Safety and health</td> <td>Zero harm</td> <td>1% of Task Order value</td> </tr> <tr> <td>Turnaround</td> <td>100% meeting deadline</td> <td>5% of Task Order value</td> </tr> </tbody> </table>	KPI	Measure	Penalty	Emergency and callouts response time	4 hours	2% of Task Order value	Quality	Zero rework	3% of Task Order value	Finance	Zero Over expenditure	0.5% of Task Order value	Safety and health	Zero harm	1% of Task Order value	Turnaround	100% meeting deadline	5% of Task Order value
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		Safety and health	Zero harm	1% of Task Order value																
Turnaround	100% meeting deadline	5% of Task Order value																		
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	[12] months																		
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply																		

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.

Z2 Joint ventures

- Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not substantially alter the composition of the joint venture, consortium or

other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Works.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Ethics

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).
- Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

Z5 Confidentiality

- Z5.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z5.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be

regarded as such until notified otherwise by the *Service Manager*.

- Z5.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z5.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z6 Waiver and estoppel: Add to core clause 12.3:

- Z6.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z7 Health, safety and the environment: Add to core clause 27.4

- Z7.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
 - warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
 - undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.
- Z7.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

Z8 Provision of a Tax Invoice and interest. Add to core clause 51

- Z8.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z8.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in

time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

- Z8.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z9 Notifying compensation events

- Z9.1 Delete from the last sentence in core clause 61.3, “unless the *Service Manager* should have notified the event to the *Contractor* but did not”.

Z10 Employer’s limitation of liability

- Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z10.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for under the compensation events stated in this contract.

Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z11.1 Or had a judicial management order granted against it.

Z12 Supplier Development & Localization

Z12.1 Local and imported Content Declaration.

Tender price, excluding VAT (y)	R
Imported content (x) :	R
Stipulated minimum threshold for Local content	
Local content % , as calculated in terms of SATS 1286:	

3. Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self-insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

http://www.eskom.co.za/live/content.php?Item_ID=9248

Annexure B: The *Employer's* Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Marumo Lekoto on (+27 (0)11 800 5383 or (+27 86 667 4012); E-mail: LekotoMH@eskom.co.za

C1.2 Contract Data

4. Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities: Qualifications: Experience:	
		CV's (and further key person's data including CVs) are in the Contract data.
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	Rand
11.2(19)	The tendered total of the Prices is:	Price List

Part 2: Pricing Data

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	

C2.1 pricing assumptions: Option A

5. How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		<ul style="list-style-type: none">the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed andwhere a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

6. Function of the Price List

Clause 54.1 in Option A states: "Information in the Price List is not Service Information". This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Service in accordance with the Service Information". Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

7. Link to the *Contractor's* plan

Clause 21.4 states "The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance". Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

8. Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor*:

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

If the *Contractor* is to be paid an amount for the item which is not adjusted if the quantity of work in the item changes, the tendering contractor enters the amount in the Price column only, the Unit, Expected Quantity and Rate columns being left blank.

If the *Contractor* is to be paid an amount for an item of work which is the rate for the work multiplied by the quantity completed, the tendering contractor enters the rate which is then multiplied by the Expected Quantity to produce the Price, which is also entered.

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

C2.2 the price list

SCHEDULE A As and when required

Item	Description	UoM	Qty	Rate	Month	Year
1	Supervisor x1	Hrs/Month	160			
2	Artisan Laminators x3	Hrs/Month	480			
	<u>Standby Team</u>					
3	Standby Allowance	Monthly	60			
4	Travelling	Km (Month)	1680			
	<u>Health and Safety</u>					
5	PPE & Flash Arch	Yearly	3			
6	Medicals, Screening &	Yearly	3			
7	Safety File	Once Off	1			
8	<u>Materials (piping etc)</u>					
8.1.1	<u>Lamination</u>					
8.1.2	DN 25	Lamination	0,2			
8.1.3	DN50	Lamination	0,2			
8.1.4	DN80	Lamination	0,2			
8.1.5	DN100	Lamination	0,2			
8.1.6	DN150	Lamination	0,2			
8.1.7	DN200	Lamination	0,2			
8.1.8	DN250	Lamination	0,2			
8.1.9	DN300	Lamination	0,2			
8.1.10	DN350	Lamination	0,2			
8.1.11	DN400	Lamination	0,2			
8.1.12	DN450	Lamination	0,2			
8.1.13	DN500	Lamination	0,2			
8.1.14	DN600	Lamination	0,2			
8.1.15	DN1300	Lamination	0,2			
10	<u>Lamination</u>					
10.1.1	DN 25	Per metre	0,125			
10.1.2	DN50	Per metre	0,125			
10.1.3	DN80	Per metre	0,125			
10.1.4	DN100	Per metre	0,125			
10.1.5	DN150	Per metre	0,125			
10.1.6	DN200	Per metre	0,125			
9.1.7	DN250	Per metre	0,125			
9.1.8	DN300	Per metre	0,125			
9.1.9	DN350	Per metre	0,125			

9.1.10	DN400	Per metre	0.125			
9.1.11	DN450	Per metre	0.125			
9.1.12	DN500	Per metre	0.125			
1.1.13	DN600	Per metre	0.125			
10.1.14	DN1300	Per metre	0.125			
11	<u>Flange Fabrication</u>		0.125			
11.1.1	DN 25	Item	0.125			
11.1.2	DN50	Item	0.125			
11.1.3	DN80	Item	0.125			
11.1.4	DN100	Item	0.125			
11.1.5	DN150	Item	0.125			
11.1.6	DN200	Item	0.125			
11.1.7	DN250	Item	0.1			
11.1.8	DN300	Item	0.125			
11.1.9	DN350	Item	0.125			
11.1.10	DN400	Item	0.125			
11.1.11	DN450	Item	0.125			
11.1.12	DN500	Item	0.125			
11.1.13	DN600	Item	0.125			
11.1.14	DN1300	Item	0.125			
7	Laminating and Testing Equipment	Item	1			
8	Absorber Spray bank					
8.1	Absorber Spray bank Fabrication and Installation	Per set (Drawing to be provided)	1			
8.2	Absorber Spray bank Repairs and Nozzle replacement only	Per set (Drawing to be provided)	1			

C3.1: EMPLOYER’S SERVICE INFORMATION

Contents

Part 3: Scope of Work 3

C3.1: Employer’s service Information 1

1	Description of the <i>service</i>	3
1.1	Executive overview	3
1.2	<i>Employer’s</i> requirements for the <i>service</i>	3
1.3	Interpretation and terminology	5
2	Management strategy and start up.	5
2.1	The <i>Contractor’s</i> plan for the <i>service</i>	5
2.2	Management meetings	5
2.3	<i>Contractor’s</i> management, supervision and key people	6
2.4	Provision of bonds and guarantees	6
2.5	Documentation control.....	6
2.6	Invoicing and payment.....	7
2.7	Contract change management	7
2.8	Records of Defined Cost to be kept by the <i>Contractor</i>	7
2.9	Insurance provided by the <i>Employer</i>	7
2.10	Training workshops and technology transfer.....	7
2.11	Design and supply of Equipment.....	8
2.12	Things provided at the end of the <i>service period</i> for the <i>Employer’s</i> use	8
2.12.1	Equipment	8
2.12.2	Information and other things	8
2.13	Management of work done by Task Order	8
3	Health and safety, the environment and quality assurance	10
3.1	Health and safety risk management	10
3.2	Environmental constraints and management	10
3.3	Quality assurance requirements	10
4	Procurement	11
4.1	People.....	11
4.1.1	Minimum requirements of people employed	11
4.1.2	BBBEE and preferencing scheme	11
4.1.3	Accelerated Shared Growth Initiative – South Africa (ASGI-SA)	11
4.2	Subcontracting.....	11
4.2.1	Preferred subcontractors	11
4.2.2	Subcontract documentation, and assessment of subcontract tenders	11
4.2.3	Limitations on subcontracting	12
4.2.4	Attendance on subcontractors	12
4.3	Plant and Material.....	12
4.3.1	Specifications	12
4.3.2	Correction of defects	12
4.3.3	<i>Contractor’s</i> procurement of Plant and Materials	12
4.3.4	Tests and inspections before delivery	12
4.3.5	Plant & Materials provided “free issue” by the <i>Employer</i>	12
4.3.6	Cataloguing requirements	13
5	Working on the Affected Property	14
5.1	<i>Employer’s</i> site entry and security control, permits, and site regulations.....	14
5.2	People restrictions, hours of work, conduct and records.....	14
5.3	Health and safety facilities on the Affected Property	14
5.4	Environmental controls, fauna & flora.....	14
5.5	Cooperating with and obtaining acceptance of Others.....	14
5.6	Records of <i>Contractor’s</i> Equipment.....	15
5.7	Equipment provided by the <i>Employer</i>	15

5.8	Site services and facilities.....	15
5.8.1	Provided by the <i>Employer</i>	15
5.8.2	Provided by the <i>Contractor</i>	15
5.9	Control of noise, dust, water and waste	15
5.10	Hook ups to existing works	15
5.11	Tests and inspections	15
5.11.1	Description of tests and inspections	15
5.11.2	Materials facilities and samples for tests and inspections	15
6	List of drawings	16
6.1	Drawings issued by the <i>Employer</i>	16

1 Description of the service

1.1 Executive overview

Kusile Power Station Management has decided to outsource the repair of the Flue Gas Desulphurisation (FGD) Glass fibre Reinforced Plastic (GRP) piping to a suitably qualified, experienced, and well-established Contractor. This document describes the details of the applicable plant areas, scope of work, quality requirements and the terms & conditions of the service required. Kusile Power Station is required to perform at 92% UCF, 6% PCLF and 2% UCLF, and the maintenance of the FGD GRP piping is crucial in achieving this requirement.

The services to be rendered by the Contractor are the repairs of the Glass-fibre Reinforced Plastic (GRP) piping at Kusile Power Station on an as and when required basis. The service will include the supply of spares, materials and the repairs of defective plant.

The service will be on an as and when required basis where the service provider will be required to have a team on standby at all times.

More details can be found on the Scope of Work document: 240-128637885 Kusile Power Station Scope of Work Repair of FGD Glass Fibre Reinforced Plastic (GRP) Piping and the Contractor must comply to all requirements stipulated in this document.

The service will be on an as and when required basis where the service provider will be required to always have a team on standby.

1.2 Employer's requirements for the service

The Contractor

The responsibilities of the Contractor include the following:

- Comply with the Employer's Environmental, Health and Safety standards, policies and procedures.
- Comply with the Employer's site rules processes and procedures.
- Execute repairs according to the Employer's procedures and standards.
- Have a person on standby at all times to attend to call outs. The person on standby shall attend to defects according to the agreed response time.
- Provide all spares (piping, fittings and flanges) required for repairs on all pipework.
- Provide all material, equipment (including PPE) and tools required for repairs.
- Give advice on the best suitable method of repair after assessing a defect.
- Fabrication and installation of absorbers spray banks as scope of work and drawings provided by Eskom Repairs and installation of the damaged spray bank nozzle as per inspection report
- Provide a failure analysis report for each defect 24 hours after work has been executed.

Re-commissioning

After the defective pipe has been repaired and cured, it will undergo a Barcol hardness test and Hydro test to ensure that the repair meets the required specifications. The Contractor shall stay on site until the test is complete and declared successful.

Quality Control

The Contractor shall comply with the Employer's quality control plan. Any witness, hold and inspection points shall be strictly adhered to. The Contractor shall compile QCP documents when instructed by the Employer.

Applicable Scope of Work

The Contractor's scope of work includes the following:

1. Respond to call outs within specified response time.
2. Assess defects and recommend repair method.
3. Supply all material (including piping) required for the repairs.
4. Provide specifications for the materials to be used on repairs, the material will be quality checked and approved by the Employer before it can be used.
5. Repair defect(s) according to the method approved by the Employer.
6. The repairs will include, but not limited to, the following:
7. Cutting and replacing damaged pipe sections.
8. Laminating using resin.
9. Temporary repairs/patching using putty bonding.
10. When required, the Contractor shall provide competent personnel to conduct the Barcol Hardness test after laminating and curing.
11. When required, the Contractor shall conduct hydro-testing on repaired piping and provide all equipment associated with hydro-testing.
12. If the repair does not pass hardness or hydro testing, the Contractor will be required to execute a re-work at their own cost.

Response Time

The Contractor shall respond to call outs as follows:

- a. Emergency: On pipelines with no redundancy, the response time is 2 hours.
- b. Non-emergency: On pipelines with redundancy, the response time is 24 hours.

1.3 Interpretation and terminology

If required include here definitions additional to those used in the *conditions of contract* which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
FGD	Flue Gas Desulphurisation
GRP	Glass Fibre Reinforced Plastic
OEM	Original Equipment Manufacturer
PCLF:	Planned Capability Loss Factor
PPE	Personal Protective Equipment
QCP	Quality Control Plan
SOW:	Scope of Work
UCF:	Unit Capability Factor
UCLF:	Unplanned Capability Loss Factor

2 Management strategy and start up.

2.1 The Contractor’s plan for the service

In the TSC3 the *Contractor’s* plan is his “design” for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor’s* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer’s* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor’s* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor’s* plan.

2.2 Management meetings

The *conditions of contract* (e.g. Clause 16.2) and other sections of the Service Information (e.g. safety risk management) may require that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to pro-actively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties.

Depending on the size and complexity of the *service*, it is probably beneficial for the *Service Manager* to hold a weekly risk register meeting (Clause 16.2). This could be used to discuss safety, compensation events,

subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as planning and activities of a technical nature may also be warranted. Describe here the general meetings and their purpose. Provide particulars of approximate times, days, location, and attendance requirements, stipulating that attendees shall have the necessary delegated authority to make decisions in respect of matters discussed at such meetings. The following text could be used as a model for this section:

Regular meetings of a general nature may be convened and chaired by the *Supply Manager* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly on _____ at _____		
Overall contract progress and feedback	Monthly on _____ at _____		<i>Employer, Contractor and _____</i>

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *service*. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

2.3 Contractor’s management, supervision and key people

State any additional constraining requirements on *Contractor’s* supervision and key people that are not already stated in other sections such as for Health and Safety. This section could be used to solicit an organogram from the *Contractor* showing his people and their lines of authority / communication. This would be essential if the *Contractor* is a Joint Venture.

2.4 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

The *Employer* may withhold payment of amounts due to the *Contractor* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Contractor* by the *Service Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Contractor* does not affect the *Employer’s* right to termination stated in this contract.

2.5 Documentation control

Specify how documentation will be identified with an alpha numeric which indicates source, recipient, communication number etc. Provide details of any particular format or other constraints; for example that all contractual communications will be in the form of properly compiled letters or forms attached to e mails and not as a message in the e mail itself. State any particular routing requirements but note from TSC3 who issues what to whom.

2.6 Invoicing and payment

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager's* payment certificate.

The *Contractor* shall address the tax invoice to

_____ and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

2.7 Contract change management

This section is intended to deal with any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms. Not the same thing as documentation control.

2.8 Records of Defined Cost to be kept by the Contractor

If Option C or E applies first read clause 52.2 and then state whether the *Contractor* is required to keep any other records. Include any other constraint which may be required in regard to format and filing of the records, and whether access for the *Service Manager* shall be provided in hard copy or electronically.

Could delete if Option A applies unless the *Employer* requires some form of control over the *Contractor's* record keeping for the purpose of compensation event management.

2.9 Insurance provided by the Employer

First read TSC3 Core Clause 86.1 and then add anything necessary for the management of insurance related issues such as a cross reference to where procedures for making claims can be found. Also provide contact details for persons capable of being able to answer any insurance related queries the *Contractor* may have, as well as to whom the information required by Marine Insurance (if any) may be addressed.

2.10 Training workshops and technology transfer

Describe type and frequency of any on job training workshops, as well as any obligation for technology transfer being included as part of the *service* or at the end of the *service period*.

2.11 Design and supply of Equipment

On some complex services (e. g. nuclear) it could be in the Parties best interests that some details of the design of Equipment are shared with the *Service Manager*, not necessarily for his acceptance but as an assurance that the Equipment will be able to allow the *Contractor* to Provide the Service efficiently and without delay. For example specialised handling Equipment for a particular maintenance operation. Clause 23.1 is always available to the *Service Manager* if this paragraph is not used.

Also the *Employer* may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of such Equipment. Include these constraints here.

Draft in such a way that there is no doubt that the liability for such design supply and use of the Equipment remains with the *Contractor*.

2.12 Things provided at the end of the *service period* for the *Employer's* use

2.12.1 Equipment

The *Employer* may wish to use some of the Equipment used by the *Contractor* after the end of the *service period*. Clause 70.2 requires that details of such requirement be stated in the Service Information. Complete here or if not applicable retain the heading and state 'None'.

List of Equipment *Employer* may wish to use some of the Equipment used by the *Contractor* after the end of the *service period*:

1. All Computers and its associated auxiliaries used by all human resources provided by the *Contractor* and programmed by the *Employer*.

2.12.2 Information and other things

Clause 70.2 requires that information and other things which the *Contractor* is to provide at the end of the *service period* be stated in the Service Information.

List of all information the *Contractor* is to provide at the end of the *service period*:

1. All procedures and Work instruction developed must be handed over in the following format as a minimum:
 - a. Soft Copies in Microsoft Word and Excel

2.13 Management of work done by Task Order

Only use this heading if Option X19 applies to this contract.

In some cases all work may be done in terms of Task Orders in which case it may be logical to move this section closer to the start of this part 2 of the Service Information. In some cases only parts of the *service* may require to be handled by Task Order, for example a major repair which has become necessary during a continuous maintenance service contract.

Please read Option X19 before drafting requirements here as much of the procedure for the administration of Task Orders is already provided in X19, for example X19.2 specifies what a task Order should include

A Task Order format could be provided in an Annexure to this Service Information.

Many considerations can apply to Task Orders, such as availability of resources, arrangements for emergency work, Task Order reporting (work carried out and service results), assessment of additional Prices for *service* not included in the Price List etc.

Clause X19.6 requires information which should be included on a Task Order programme. Further requirements for Task Orders include things to be provided by the *Employer* under a Task Order and the conditions under which the *Employer* or Others are to work.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the *service* and the Affected Property for this contract. The text below provides for these being attached as an Annexure to this Service Information. PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATSOEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the *service* must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

The *Contractor* shall comply with the health and safety requirements contained in Annexure _____ to this Service Information.

3.2 Environmental constraints and management

Describe or cross refer to environmental constraints applicable to the *Contractor's* plan and his activities on the Affected Property and how they should be managed. Include here or cross refer to an Annexure to the Service Information.

The *Contractor* shall comply with the environmental criteria and constraints stated in Annexure _____

3.3 Quality assurance requirements

Specify minimum requirements for the *Contractor's* Quality Plan and Work Procedures or provide the *Employer's* Quality Plan if that is to be used. Make sure witness and hold points are identified generally and describe any particular requirements for QA outside the Affected Property. Indicate how the *Contractor's* QA documentation is to be submitted for acceptance and any conditions that need to be imposed relating to acceptance. State whether ISO compliance is a condition and if so which ISO standard shall apply.

4 Procurement

4.1 People

4.1.1 Minimum requirements of people employed

4.1.1.1 Resource Requirement

Site Supervisor – N 6 / Diploma (minimum) x1
Laminators- Grade 12 and Lamination Certificate x3

4.1.2 BBBEE and referencing scheme

Specify constraints which *Contractor* must comply with after contract award in regard to any Broad Based Black Economic Empowerment (B-BBEE) or referencing scheme measures.

4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)

If the ASGI-SA requirements are to be included in this contract specify constraints which *Contractor* must comply with after contract award in regard to any ASGI-SA requirements. The ASGI-SA Compliance Schedule completed in the returnable tender schedules is reproduced here. If ASGI-SA does not apply, delete this paragraph.

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the *Contractor's* ASGI-SA Compliance Schedule stated below

[Insert the agreed ASGI-SA Compliance Schedule here]

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.]

The *Contractor's* failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

4.2 Subcontracting

4.2.1 Preferred subcontractors

TSC3 does not make use of nominated subcontracting, but the *Employer* may list which subcontractors or suppliers the *Contractor* is required to enter into subcontracts with. This is usually only required where specialist services need to be obtained from a particular supplier or group of suppliers in order to comply with operational standards.

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Specify any constraints on how the *Contractor* is to prepare subcontract documentation, whether use of the NEC system is compulsory or not (compulsory is recommended) and how subcontract tenders are to be issued, received, assessed (using a joint report?) and awarded.

4.2.3 Limitations on subcontracting

The *Employer* may require that the *Contractor* must subcontract certain specialised work, or that the *Contractor* shall not subcontract more than a specified proportion of the whole of the contract.

4.2.4 Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

4.3 Plant and Materials**4.3.1 Specifications**

Plant and Materials are defined as items intended to be included in the Affected Property. This will refer to replacement of worn or defective parts, routine replacement as part of regular preventative maintenance and supply of spare parts. Quality is usually designed in or specified in the technical specifications. However to cover circumstances where quality may not be prescribed, this sub-paragraph could also be used to state an overarching default requirement – fitness for purpose etc.

Either specify here or provide a list of the applicable specifications and attach them as Annexure or state where they can be obtained from.

4.3.2 Correction of defects

State any constraints when dealing with defective Plant and Materials such as how repairs are carried out - can the item be fixed up or must it be replaced by a new one.

4.3.3 Contractor's procurement of Plant and Materials

Specify any constraints on how the *Contractor* is to order, codify, expedite, freight, import, transport to the Affected Property and any other requirements for delivery and storage before installation. The *Employer* may require warranties from suppliers to be in favour of the *Employer* and not just to the *Contractor*. The *Employer* may also need schedules of vendor data for his own use after the end of the *service period*.

4.3.4 Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery. Specify any requirements particularly if such tests and inspections are to be carried out by agents of the *Employer* overseas.

4.3.5 Plant & Materials provided "free issue" by the Employer

List any Plant and Materials which are to be provided by the *Employer*.

State arrangements for collection by *Contractor* or delivery by others on behalf of the *Employer*, off loading, inspection, storage, care custody and control, return of unused Plant and Materials, etc. Always include a statement to the effect that 'all other Plant and Materials are to be provided by the *Contractor*'.

4.3.6 Cataloguing requirements by the *Contractor*

State whether cataloguing is applicable, if it is, reference the requirements for cataloguing that need to be satisfied by the *Contractor* (consult Procurement Instruction Number 1 of 2018 – Incorporating Cataloguing into the Procurement Environment, Unique Identifier 240-1289988974).

5 Working on the Affected Property

This part of the Service Information addresses constraints, facilities, services and rules applicable to the *Contractor* whilst he is doing work on the Affected Property.

5.1 *Employer's* site entry and security control, permits, and site regulations

Sites such as Koeberg Nuclear Power Station have very strict entrance requirements which tendering contractors need to allow for in their prices, and the *Contractor* has to comply with. State these or similar requirements here.

In addition to the above there may be other restrictions once on the site, plus rules relating to roads, walkways and the provision of barricades

5.2 People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

5.3 Health and safety facilities on the Affected Property

Section 3 deals with contractual H & S requirements in addition to those of the OHSA Act. This section allows the *Employer* to state what measures are to be taken on the Affected Property by describing where First Aid facilities provided by the *Employer* are located and any other emergency arrangements. Do not use if already addressed in 2.3.

5.4 Environmental controls, fauna & flora

This sub-paragraph may not be required in a service contract or if these matters are dealt with in the general environmental requirements referred to in section 3 above.

5.5 Cooperating with and obtaining acceptance of Others

This sub-paragraph could be used to deal with two issues.

- 1) The cross reference from core clause 25.1 about cooperation generally as well as details about Others with whom the *Contractor* may be required to share the Affected Property. See clause 11.2(9) for the definition of Others.
- 2) Requirements for liaison with and acceptance from statutory authorities or inspection agencies.

5.6 Records of *Contractor's* Equipment

This sub-paragraph is intended to address how records are to be kept of Equipment on Site including whether it is owned or hired. Include any constraints about scaffolding, rigs, heavy lifts and cranes, including removal from the Affected Property.

5.7 Equipment provided by the *Employer*

Provide details of equipment (e.g. overhead cranes) made available for use by the employer and set out conditions relating thereto.

5.8 Site services and facilities

5.8.1 Provided by the *Employer*

This is a mandatory cross reference from clause 25.2 in TSC3. State what the *Employer* will provide in the way of power, water, waste disposal, telecomms, ablutions, fire protection and lighting (etc) on the Affected Property. Give hook up locations and any constraints on how the hook up is to be done. Always conclude by stating that the *Contractor* shall provide everything else necessary for Providing the Service.

5.8.2 Provided by the *Contractor*

Describe what the *Contractor* is to provide in the way of accommodation, laboratories, storage, vehicles and office equipment for the *Service Manager* and any restrictions or minimum requirements concerning the *Contractor's* own facilities. Also state what happens to these facilities upon completion of the contract.

5.9 Control of noise, dust, water and waste

State requirements, if any.

5.10 Hook ups to existing works

State any constraints

5.11 Tests and inspections

5.11.1 Description of tests and inspections

Describe the tests and inspections to be carried out by the *Contractor* and the *Service Manager* and others [40.1].

5.11.2 Materials facilities and samples for tests and inspections

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

