



NEC3 Term Service Contract (TSC3)

Between ESKOM HOLDINGS SOC Ltd
(Reg No. 2002/015527/30)

and [Insert at award stage]
(Reg No. _____)

for Boiler Flue Gas Ductings & Dampers Inspections and
Repairs on an “as and when required” Basis for the
period of Three (3) years at Kusile Power Station

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CONTRACT No. []

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

Title of the Contract

Boiler Flue Gas Ductings & Dampers Inspections and Repairs on an "as and when required" Basis for the period of Three (3) Years at Kusile Power Station.

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

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.

Options A	The offered total of the Prices exclusive of VAT is	R
	Sub total	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(in words)	

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

(Insert name and address of
organisation)

Date

Tenderer's CIDB registration number:

¹ This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer enter into a contract for the procurement of Boiler Flue Gas Ductings & Dampers Inspections and Repairs on an "as and when required" Basis for the period of (3) years at Kusile Power Station, experienced and well-established Contractor. 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 and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Mr Christopher Nani

Capacity

General Manager:
Kusile Power Station

**for the
Employer**

Eskom Holdings SOC Limited
Kusile Power Station
Hartebeesfontein Farm R545
Kendal/Balmoral Road WITBANK

(Insert name and address of
organisation)

Name &
signature of
witness

Date

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	[•]	[•]
2	[•]	[•]
3	[•]	[•]
4	[•]	[•]
5	[•]	[•]
6	[•]	[•]
7	[•]	[•]

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.

For the tenderer:

Signature

Name

Capacity

On behalf of *(Insert name and address of organisation)*Name &
signature
of witness

Date

Mr Christopher Nani

General Manager:

Kusile Power Station

Eskom Holdings SOC Limited

Kusile Power Station

Hartebeesfontein Farm R545

Kendal/Balmoral Road WITBANK

C1.2 TSC3 Contract Data

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:	
	•	A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17 Low Service Damages
		X13 Performance bond
		X18: Limitation of liability
		X19: Task Order
		Z: <i>Additional conditions of contract</i>
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company 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.	
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	Isaac Netshiozwi
	Address	Eskom Holdings SOC Limited Kusile Power Station
		Hartebeesfontein Farm R545 Kendal/Balmoral Road WITBANK
	Tel	013 295 9043

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

Fax

e-mail

netshii@eskom.co.za

11.2(2)	The Affected Property is	The areas within the jurisdiction of the identified Power Station (Kusile), as dictated by the core scope defined in the service information and Station addendum
11.2(13)	The <i>service</i> is	Boiler Flue Gas Ductings & Dampers Inspections and Repairs on an "as and when required" Basis for the period of Three (3) years at Kusile Power Station.
11.2(14)	The following matters will be included in the Risk Register	1. Unprotected Strike/Industrial Action 2. Movement of outage Dates 3. Natural Disaster
11.2(15)	The Service Information is in	Part 3: Scope of Work as amended by the contractor's:
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	Five (5) working days unless otherwise state on the Task Order
2	The Contractor's main responsibilities	
21.1	The <i>Contractor</i> submits a first plan for acceptance within	2 days after inspection for breakdowns where applicable after receiving the Task Order. 2 weeks of receiving a Task Order for planned Outages unless stated otherwise.
3	Time	
30.1	The <i>starting date</i> is.	
30.1	The <i>service period</i> is	Three (3) Years
4	Testing and defects	
5	Payment	
50.1	The <i>assessment interval</i> is	The assessment period for the outages (where applicable) shall be monthly between the 20th and 25th of each month or as per the agreement between the two parties Final Outages assessments to be done within a week after the actual completion date
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	14 working days as per Eskom procedure

51.4 The *interest rate* is

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 Limited (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	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
7	Use of Equipment Plant and Materials	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	Damage to the employer's property
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
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	Cost to completion during Outages on a weekly basis

11	Data for Option W1			
W1.1	The <i>Adjudicator</i>	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).		
	Address	[•]		
	Tel No.	[•]		
	Fax No.	[•]		
	e-mail	[•]		
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	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.		
	- if the Parties cannot agree a choice or			
	- if the arbitration procedure does not state who selects an arbitrator, is			
12	Data for secondary Option clauses			
X1	Price adjustment for inflation			
X1.1	The <i>base date</i> for indices is	A month prior to the enquiry closing date		
	The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for	Index prepared by
		75%	Labour	SIEFSA C3
		10%	Transport	SIEFSA L1
		15%	Fixed Portion	Non adjustable
		100%		
		1.00		
X2	Changes in the law		There is no reference to Contract Data in this	

		Option and terms in italics are identified elsewhere in this Contract Data.
X17	Low service damages	
X17.1	The <i>service level table</i> is in	Annexure A
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
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 A " TSC3" insurance policy available on request from Eskom Group Insurance
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
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 <ul style="list-style-type: none"> Defects due to his design, plan and specification, Defects due to manufacture and fabrication outside the Affected Property, loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	5 days of receiving the Task Order Additional Emergency Conditions Apply
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.

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 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 Service.
- 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 2014 (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 the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

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 in core clause 63 and X19.11 if Option X19 Task Order applies to 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 business rescue order granted against it.

Z12 Warranty

The warranty period of 52 weeks after completion of each task Order.

The contractor warrants during the defects corrections period shall not cover claims where:

- The affected property that has been serviced has been subjected to abnormal or unspecified conditions
- The affected property has been serviced but has not been installed or maintained in accordance with the contractor's instruction or specification
- Unauthorised repair or alteration have been made to the affected property where service has been done

X17 - Low Service Damages

	compliance to Employer`s Requirement	Contractor
Defect Remedial work	The Contractor shall be responsible and held liable for any defects arising from maintenance and or operational faults 24 hours after an intervention, provided that the equipment has been placed into service. The contractor shall adhere to agree upon timelines	1. Make good. 2. Premature failures and remedial work will be done at the Contactor`s cost. 3. Default notification process shall be instituted. 4. 0.25 % of the task order per day

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. The Contractor must obtain its own advice. 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/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_
From_1_April_2014_To_31_March_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

C1.2 Contract Data

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address 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 people 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 _____.		
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	C2.2
11.2(19)	The tendered total of the Prices is	R

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

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.

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.

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).

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*

Item No.	Description	Unit	Qty	Duration	Rate	AMOUNT
	PRELIMINARIES AND GENERAL					
1.1	Fixed					
1.1.1a	Site Establishment for: Delivery of Kitchen Converted Container	Once Off	1			
1.1.1b	Site Establishment for: Delivery of Steel Storage Container	Once Off	1			
1.1.1c	Site Establishment for: Delivery of Office Converted Containers	Once Off	2			
1.1.2a	Office Converted Containers L-12m; W-3m; H-2.69m (x 2No)	Once Off	2			
1.1.2b	Kitchen Converted Container L-11.62m; W-3.58m; H-2.69m (x 1No)	Once Off	1			
1.1.2c	Steel Storage Container L-12m; W-2.43m; H-2.69m (x 1No)	Once Off	1			
1.1.3	Standard PPE	Per Person	61	3		
1.1.4	Safety file	Once Off	1			
1.1.5	Medicals - Entry	Per Person	61	3		
1.1.4	Medicals - Exit	Per Person	61	1		
1.1.6	Security Clearance Certification	No	61	3		
1.1.7	Welding PPE (Refer to the attached Welding PPE List)	Per Person	8	3		
1.2	Time Related					
1.2.1	Home-Work-Home (22 Seater Bus) - x 3No	Per Day	3	678		
1.2.2	Light Driven Vehicle - x 2No	Per Day	2	678		
1.2.3	6 Ton Truck (For Hire)	Per Day	1	678		
	Sub-total P&Gs:					
Item No.	Resource	Unit	Qty	Total Productive Hours for 3 Years	Hourly Rate	
2	NORMAL HOURS					
2.1	Site Manager	Hours/Person	1	3592		
2.2	Supervisor	Hours/Person	2	3592		
2.3	Planner	Hours/Person	1	3592		
2.4	Site Clerk	Hours/Person	1	3592		
2.5	Safety Officer	Hours/Person	1	3592		
2.6	Electrical Artisan	Hours/Person	1	3592		
2.7	Quality Officer (Level 2)	Hours/Person	2	3592		

2.8	Material Controller/Storeman	Hours/Person	1	3592		
2.9	Semi-Skilled Assistants	Hours/Person	16	3592		
2.10	Mechanical Fitters	Hours/Person	6	3592		
2.11	Rigger	Hours/Person	4	3592		
2.12	Boilermaker	Hours/Person	6	3592		
2.13	Fire Watcher	Hours/Person	4	3592		
2.14	Welder B Class	Hours/Person	8	3592		
2.15	22 Seater Drivers	Hours/Person	3	3592		
2.16	6 Ton Truck Driver	Hours/Person	1	3592		
2.17	Welding Inspector	Hours/Person	1	3592		
2.18	Responsible person (PSR & ORHVS)	Hours/Person	2	3592		
	Sub-total Normal Hours:					
3	OVERTIME (WEEKDAYS) - x1.5				1.50	
3.1	Site Manager	Hours/Person	1	1796		
3.2	Supervisor	Hours/Person	2	1796		
3.3	Planner	Hours/Person	1	1796		
3.4	Site Clerk	Hours/Person	1	1796		
3.5	Safety Officer	Hours/Person	1	1796		
3.6	Electrical Artisan	Hours/Person	1	1796		
3.7	Quality Officer (Level 2)	Hours/Person	2	1796		
3.8	Material Controller/Storeman	Hours/Person	1	1796		
3.9	Semi-Skilled Assistants	Hours/Person	16	1796		
3.10	Mechanical Fitters	Hours/Person	6	1796		
3.11	Rigger	Hours/Person	4	1796		
3.12	Boilermaker	Hours/Person	6	1796		
3.13	Fire Watcher	Hours/Person	4	1796		
3.14	Welder B Class	Hours/Person	8	1796		
3.15	22 Seater Drivers	Hours/Person	3	1796		
3.16	6 Ton Truck Driver	Hours/Person	1	1796		
3.17	Welding Inspector	Hours/Person	1	1796		
3.18	Responsible person (PSR & ORHVS)	Hours/Person	2	1796		
	Sub-total Normal Hours - Overtime:					
4	OVERTIME (SATURDAYS) - x1.5				1.50	
4.1	Site Manager	Hours/Person	1	1176		
4.2	Supervisor	Hours/Person	2	1176		
4.3	Planner	Hours/Person	1	1176		
4.4	Site Clerk	Hours/Person	1	1176		
4.5	Safety Officer	Hours/Person	1	1176		
4.6	Electrical Artisan	Hours/Person	1	1176		
4.7	Quality Officer (Level 2)	Hours/Person	2	1176		
4.8	Material Controller/Storeman	Hours/Person	1	1176		
4.9	Semi-Skilled Assistants	Hours/Person	16	1176		

4.10	Mechanical Fitters	Hours/Person	6	1176		
4.11	Rigger	Hours/Person	4	1176		
4.12	Boilermaker	Hours/Person	6	1176		
4.13	Fire Watcher	Hours/Person	4	1176		
4.14	Welder B Class	Hours/Person	8	1176		
4.15	22 Seater Drivers	Hours/Person	3	1176		
4.16	6 Ton Truck Driver	Hours/Person	1	1176		
4.17	Welding Inspector	Hours/Person	1	1176		
4.18	Responsible person (PSR & ORHVS)	Hours/Person	2	1176		
	Sub-total Saturdays Hours:					
5	PUBLIC HOLIDAYS / SUNDAYS - x2				2.00	
5.1	Site Manager	Hours/Person	1	1572		
5.2	Supervisor	Hours/Person	2	1572		
5.3	Planner	Hours/Person	1	1572		
5.4	Site Clerk	Hours/Person	1	1572		
5.5	Safety Officer	Hours/Person	1	1572		
5.6	Electrical Artisan	Hours/Person	1	1572		
5.7	Quality Officer (Level 2)	Hours/Person	2	1572		
5.8	Material Controller/Storeman	Hours/Person	1	1572		
5.9	Semi-Skilled Assistants	Hours/Person	16	1572		
5.10	Mechanical Fitters	Hours/Person	6	1572		
5.11	Rigger	Hours/Person	4	1572		
5.12	Boilermaker	Hours/Person	6	1572		
5.13	Fire Watcher	Hours/Person	4	1572		
5.14	Welder B Class	Hours/Person	8	1572		
5.15	22 Seater Drivers	Hours/Person	3	1572		
5.16	6 Ton Truck Driver	Hours/Person	1	1572		
5.17	Welding Inspector	Hours/Person	1	1572		
5.18	Responsible person (PSR & ORHVS)	Hours/Person	2	1572		
	Sub-total for Public Holidays and Sundays Hours:					
Item No.	Description	Unit	Qty	No of Outages / No of Days	Rate	
6	EQUIPMENT/TOOLS					
6.1	Welding Equipment (11.5 kg Cylinders) (4 per Outage)	Per Outage	4	16		
6.2	Welding Machine (80 cu/ft 75% Argon 25%) (4 per Day)	Per Day	4	678		
6.3	Welding Machines Electric 400A Complete (4 per Day)	Per Day	4	678		
6.4	Cutting Equipment (Plasma cutters, Oxy/Fuel cutting) (6 per Outage)	Per Outage	6	16		
6.5	Gas Apparatus (Storage Tanks, Regulators, Manifolds) (4 per Outage)	Per Outage	4	16		
6.6	Filler Mentals (Stick Ectrodes, Speciality wire) 5kg (10 Packs per Outage)	Per	10	16		

		Pack/Outage				
6.7	GS-AX-B-001-G Oxygen Gas Monitor, LCD - Backlit (Gas Monitoring Equipment) (5 No Off)	Once Off	5			
6.8	500W Quartz On Short Stand portable lights (5 per Outage)	Per Outage	5	16		
6.9	3000LM 3x T6 Super Bright 3 modes Easy Operation (5 No Off)	Once Off	5			
6.10	DB Board 380/220V (1 per Day)	Per Day	1	678		
6.11	Fume Extraction Fan (2 per Outage)	Per Outage	2	16		
6.12	Rigging equipment (chain blocks, slings, ratchet lever hoists and Noga Quick release) (6 off per Outage)	Per Outage	6	16		
6.13	240V extension (100m long minimum) (5 per Outage)	Per Outage	5	16		
6.14	380V extension (100m long minimum) (5 per Outage)	Per Outage	5	16		
6.15	115mm Grinding Machines including Cutting discs (4 per Outage)	Per Outage	4	16		
6.16	9 Inch Grinding Machines including Cutting discs (4 per Outage)	Per Outage	4	16		
6.17	11.5 kg Cylinders - Dissolved Acetylene refill (As and when needed)	Per Cylinder	2	16		
	Sub-total for Equipment/Tools:					

Document reference	Title	No of pages
	This cover page	1
C3.1	<i>Employer's Service Information</i>	
C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

1. Introduction

Kusile Power Station Management has taken a decision to outsource Boiler Flue Gas Ducting's & Dampers inspections and repairs during Unplanned Outages on "as and when required" Basis for the period of Three (3) years, to a suitably qualified Contractor. This document describes the detail of the applicable plant areas, scope of work, standards, quality, requirements, specifications, terms & conditions as well as the criteria to qualify for the tender.

2. Supporting Clauses

2.1 Scope

2.1.1 Purpose

The purpose of this document is to define the specified scope of work activity requirements for Kusile Power Station. The station is expected to perform at 85% UCF, 10% PCLF and 5% UCLF, and the specified PJFFP Ventilation system, Flue Gas Duct Ash Handling Plant, Pulsing System valves and associated Dampers repair activities and management strategy efforts must support this requirement. It is therefore imperative that the successful and suitably qualified Contractor aligns his/her organisation fully to these specified scope activities and processes laid down in this document.

2.1.2 Applicability

This document shall apply throughout Eskom Kusile Power Station Units that are commercially operational.

2.1.3 Effective date

Document is effective upon authorization

2.2 Normative/Informative References

2.2.1 Normative

- [1] ISO 9001 Quality Management Systems
- [2] OHSACT Occupational Health and Safety Act, 85 of 1993

2.2.2 Informative

Not Applicable

2.3 Definitions

Definition	Explanation
Contractor	Service provider contracted for supplying specific service to Eskom, Kusile Power Station.
Employer	Eskom, Kusile Power Station
Employer Representative	Any person appointed in writing by Employer as the delegated Employer representative in terms of the provisions.
Plant:	Any structure, machinery, apparatus or equipment which does not fall within the scope of the operating regulations for high voltage systems, and excludes, mobile, portable lifting equipment, domestic circuits' appliances and tools.

2.4 Abbreviations

Abbreviation	Description
OEM	Original Equipment Manufacturer
PCLF	Planned Capability Loss Factor

Abbreviation	Description
QCP	Quality Control Plan
SOW	Scope of Work
UCF	Unit Capability Factor
UCLF	Unplanned Capability Loss Factor
SSC	Submerged Scrapper Conveyor
QA	Quality assurance
QC	Quality Control
NDT	Non Destructive Testing
PCM	Process Control Manual
PJFF(P)	Pulse Jet Fabric Filter Plant
GAH	Gas Air Heater

2.5 Roles and Responsibilities

2.5.1 The Employer

The responsibilities of the Employer include the following:

- a) Inform and issue the Contractor with the updated outage plan
- b) Ensure the SOW is issued to the Contractor in time to allow planning for the Outage
- c) Performance is measured by the Employer against those areas which contribute to the Employer's business and the Contractor shall be compensated accordingly as per the agreed contract clauses. (E.g. Reliability, Availability and Safety).
- d) Areas of measurement include the Employer's key business indicators and will be redefined from time to time.
- e) Employer shall provide training for PSR and any other training as deemed necessary by the Employer in line with the scope requirements.
- f) Employer to provide NDT services to the Contractor
- g) The Employer and Contractor in this SOW is committed towards the following;
 - i. Retention of critical skills
 - ii. Continuous cost reduction
 - iii. Health & Environment Safety
 - iv. Transfer of operational experience and skills

2.5.2 The Contractor

The responsibilities of the Contractor include the following:

- a. Comply with the Employer's Environmental, Health and Safety standards, policies and procedures.
- b. The Contractor shall compile improvement programmes to enhance plant performance and achieve cost reductions and the Employer will approve such instructions, processes and systems.
- c. The Contractor shall be responsible for the PJFFP Ventilation system, Flue Gas Duct Ash Handling Plant, Pulsing System valves and associated Dampers Repairs with this SOW.
- d. The Contractor must ensure that all spares preservation requirements are adhered to as per Employers requirements and procedures.
- e. The following complementary services to improve Plant and labour performance can be defined as follows:
 - i. Project management
 - ii. Value engineering
 - iii. Procedure and documentation writing
 - iv. Compile and improve task list's
 - v. Implement approved design and modification
 - vi. Spares management
 - vii. Technical advice
 - viii. Operational and production process review
 - ix. Asset management in accordance with PAS55
 - x. Component failure analysis reporting
- f. The Employer may request the Contractor to ensure that an accurate description of spare parts is maintained in the Employer's stores and the Contractor informs the Employer as to any recommended changes.

- g. The Contractor is to ensure that any service rendered does not interfere with the Employer's scheduled work and should align with the Employer's work control management process.
- h. Should the Employer become aware of any changes to the activity schedule (programme of notifications), the Employer may issue the Contractor with a revised programme.
- i. The contract entered into with the Contractor is non-exclusive and work against this contract can only be performed upon receipt of a task order.
- j. All works will be subject to anytime inspection by the Employer.
- k. The Contractor shall take cognisance of the fact that the contract start date can deviate.
- l. The Contractor to provide resources required to execute this scope and any changes to the crew must be negotiated and agreed upon with the Employer.
- m. The Contractor to assist the Employer when necessary with utilisation of the rotatable process in SAP for all refurbishable spares item. Employer to determine what should be repaired on site and what should be send away for repairs.
- n. This contract is for outage SOW and any other breakdowns that the Contractor will be required to perform within the scope boundaries of this contract.
- o. Spillage is viewed to be very important for plant housekeeping and any spillage caused as a result of the Contractor shall be cleaned by the Contractor.
- p. The Contractor shall perform leak checks on all responsible plant areas and inform the Employer's representative accordingly.
- q. The Contractor shall ensure the integrity of plant labelling and that deficiency with regards to KKS labelling is reported immediately. All KKS removed during repairs to be put back in correct position.
- r. The Contractor must ensure that they have responsible persons (in terms of PSR) for any work performed on plant. All technically qualified (above semi-skilled) Contractor's personnel will be trained and authorised (in terms of PSR) within 6 months of the contract start date.
- s. The Contractor to provide equipment and tools required for the works
- t. The Contractor shall assist in the implementation, recommendations and corrective actions which are identified by the Kusile Power Station Condition monitoring programme
- u. The Contractor shall implement a program for continuous improvement to optimise plant performance and reduce system and equipment failures.
- v. The Contractor shall participate in improvement programs as stipulated by the employer.
- w. The contractor shall produce a final report within 30 working days after the date of completion of the whole of the works or any date agreed on as per Task Order
- x. Contractor vehicles to comply with Eskom Vehicle Standards and Procedures.
- y. During Outages it is expected that the contractor will provide on-site representation on a 24 hour basis, seven days a week if required. Shift times: 07h00 to 19h00, 19h00 to 07h00 or whichever times that will be agreed between two parties.
- z. All additional personnel and scope of work to be clarified with the Employer prior to work being done.
- aa. Be in a position to make use of Primavera or any other project software for project tracking and reporting purposes.
- bb. Will be required to comply with the Employers process control manuals (PCM) that outlines the outage processes.

2.5.3 Re-commissioning

- a) All Plant equipment maintained shall be re-qualified as per site specific procedure (i.240- Kusile Power Station- PJFFP Ventilation system, Flue Gas Duct Ash Handling Plant, Pulsing System valves and associated Dampers Repairs) after any outage intervention.
- b) The Contractor shall be responsible or held liable for any defects arising from outage/operational faults after an intervention, provided that the equipment has been placed into service.
- c) The Contractor shall provide resources required for recommissioning of the plant after the works is completed in preparation for unit return to service.

2.5.4 Management and Reporting

- a) The type of reports, level of detail and frequency of reporting will be mutually agreed by the Employer and the Contractor during the contract negotiation phase of this agreement. These may change from time to time on request by the Employer.
- b) The Contractor to be represented at all outage related meeting which may be daily, weekly or monthly.
- c) The Contractor to be represented at all Employer safety meetings.
- d) The Contractor to be represented at any ad-hoc meetings that may arise in order to address any outage planning, execution, finalisation or safety related matters.

- e) Liaison meetings shall be held with the Employer's Representative or his/her delegate on as and when required basis to discuss any technical details, or concerns.

2.5.5 Contractor's Management, Meetings and Key People

- a. Before work starts on site, an inaugural meeting is held with the Contractor and the Employer, to explain in detail all requirements of the Site Regulations.
- b. The Contractor is issued with a file of current Site Regulations on arrival. The file remains the property of the Employer and the Contractor is responsible for its maintenance and updating to include new or revised regulations as issued by the Employer.
- c. The Contractor must ensure that all personnel operating mobile equipment and vehicles are authorised, this includes but not limited to;
 - i. Forklifts
 - ii. Mobile Cranes
 - iii. Cherry Pickers
 - iv. Truck Driver
- d. The Contractor shall be responsible for the regular inspections and daily equipment checks of the mobile equipment and vehicles including record keeping while onsite.
- e. The Contractor must ensure that all personnel performing work on the plant are authorised, this includes but not limited to;
 - i. Confined space locations
 - ii. Working at heights
 - iii. Heat stress areas
 - iv. Scaffolding Compliance (Not tempering with the scaffolding certified safe to be used)
 - v. Hazardous substances

2.5.6 Communication and Correspondence

- a. All correspondence includes but not limited to:
 - i. Kusile Power Station
 - ii. Employer's Contract number
 - iii. Contract description
 - iv. Correspondence subject matter
 - v. Employer's name and contact details
 - vi. Contractor contact details
 - vii. Date
- b. Where appropriate the correspondence includes the Employer's reference and is delivered as a single package or as per the agreed contract terms.
- c. All communications from the Contractor are numbered sequentially with a prefix as advised by the Employer. The Employer responds in like manner. The prefix and numbering system is decided upon at the Inaugural meeting.

2.5.7 Quality and Documentation Control

- a. During the tender process a quality criteria will be defined that the Contractor must comply to.
- b. The Contractor to compile a specific outage quality management plan for specific SOW and will be approved by the Employer's delegated person, usually the System Engineer.
- c. The Contractor shall ensure that any witness, hold and inspection points are strictly adhered to.
- d. The Contractor to ensure that all measuring and test equipment is calibrated at all times & proof thereof must be readily available.
- e. All Quality References and Standards as stipulated in this document will be adhered to.
- f. The Contractor to comply with the Employer's quality documentation management system and processes.

2.5.8 Project Implementation

The Contractor shall supply an outage execution plan per outage including at least the following in Primavera or any other project plan acceptable to the Employer:

1. Site establishment
2. Activities
3. Manpower plan (Resource loaded)
4. Organogram

5. Skills required and associated cost per skill (e.g. artisan, site manager, etc.)

2.5.9 Manpower Requirements

- The number of personnel required to execute the works is to be proposed by the Contractor after his/her assessment of the scope of work and submitted to the Employer for approval.
- The successful Contractor shall utilise/provide skilled and suitably qualified staff with experience in the technical aspects of this SOW and supporting teams.
- All the Supervisors staff brought onto site in connection with this work scope should be able to fluently speak, understand and write in English.
- Proof of qualification is to be supplied on request by the Employer for specific key resources
- All welding personnel are to be qualified as stated in the Eskom Standard which is stipulated in the reference documents.
- The Contractor shall employ the services of a qualified welding & fabrication inspector, to inspect the works.
- The Contractor ensures that all staff being brought onto Kusile site has a valid fitness certificate based on the specified plant man-job specification.
- Provide daily supervision of all related plant through trained and competent personnel to ensure that inspections & work activities are conducted daily during execution of the outage. .

2.6 Process for Monitoring

Process will be agreed by both parties per Task Order and according to Outage process control manuals and the specific outage SOW.

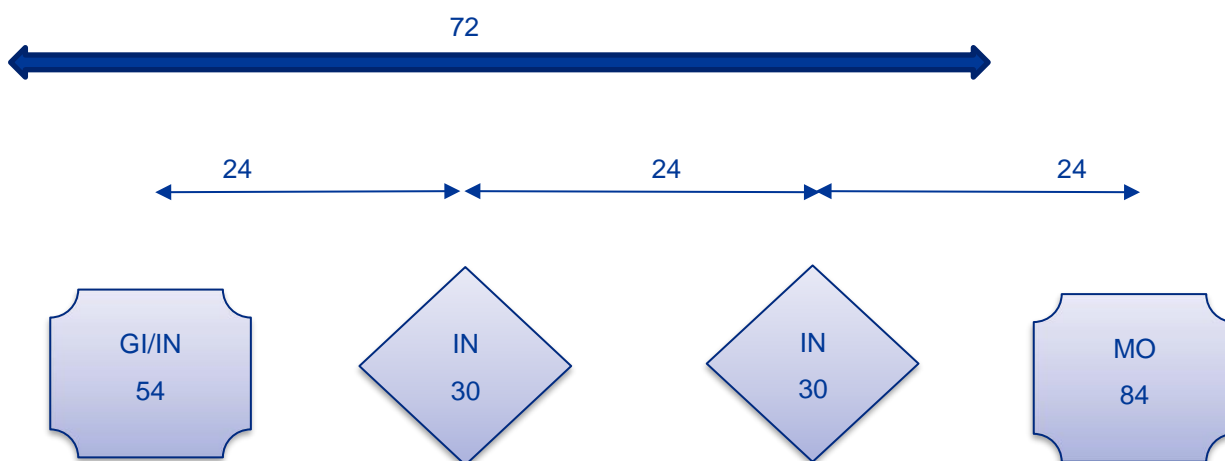
2.7 Related/Supporting Documents

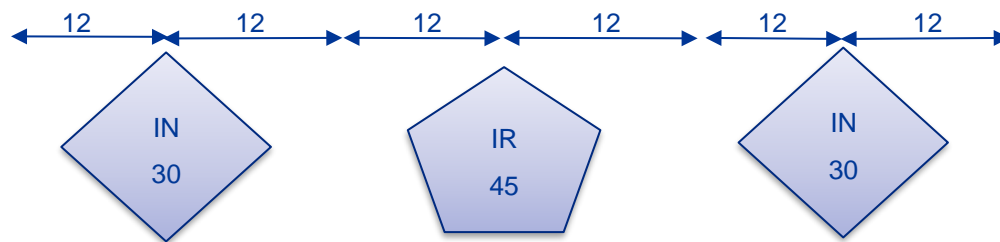
N/A






3. Works Information

3.1 Outage Philosophy

The scope of work is applicable to the Boiler Flue Gas Ductings & Dampers inspections and repairs during outages Planned Outages, Unplanned Outages on “as and when required” Basis for the period of three (3) years. The system is also aligned to Kusile Power Station Outage Philosophy depicted as follows and gets reviewed yearly.





Symbol	Outage type	Interval Years	Interval Hours	Duration (days)	Main activities
	IN	1	8333	30	Boiler and Draught Group inspection Mill bin inspection Absorber, Inlet & Outlet Duct, Emergency Quenching Nozzles, Mist Eliminators, OxyBlower and Reaction Tanks - Cleaning, Inspection and Refurbishment
	IN	2	16666	30	Boiler and Draught Group inspection Mill bin inspection Absorber, Inlet & Outlet Duct, Emergency Quenching Nozzles, Mist Eliminators, OxyBlower and Reaction Tanks - Cleaning, Inspection and Refurbishment
	IR	3	25000	45	LP Bypass Valves inspection and repairs Boiler and turbine auxiliaries inspection and repairs Absorber, Inlet & Outlet Duct, Emergency Quenching Nozzles, Mist Eliminators, OxyBlower and Reaction Tanks - Cleaning, Inspection and Refurbishment
	MGO	6	50 000	84	HP and IP turbine cylinders full refurbishment. LP cylinder and Valves overhaul Boiler statutory inspections Generator stator and rotor inspections Absorber, Inlet & Outlet Duct, Emergency Quenching Nozzles, Mist Eliminators, OxyBlower and Reaction Tanks - Cleaning, Inspection and Refurbishment
	GO	12	100 000	84	HP, IP, LP Turbine cylinders and Valves overhaul Air heater element packs will be replaced every 12 years Boiler statutory inspections Absorber, Inlet & Outlet Duct, Emergency Quenching Nozzles, Mist Eliminators, OxyBlower and Reaction Tanks - Cleaning, Inspection and Refurbishment

					Inspection and Refurbishment
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Table 1: Kusile Outage Philosophy Outage Intervals

3.2 Applicable S.O.W

The SOW for this contract is detailed as follows:

3.3 PJFFP Ventilation system

- a) Carry out a functionality test on the vent fan dampers.
- b) Inspect all dampers in the ducting for functionality.

3.4 PJFFP System dampers

- a) Conduct stroke checks on all cell inlet dampers, cell outlet dampers and attemperation dampers – all defects to be noted and repaired (including actuating cylinder defects, positioners, limit switches, damaged push-in fittings and defective pilot solenoid valves, damper flaps and sealing mechanisms etc.)
- b) The NDT Contract provided by the Station to conduct thickness measurements on the raw gas damper plate and on the raw gas/clean gas plenum dividing plate – The mechanical contractor to conduct repairs as per the thickness measurement report.
- c) Inspect the attemperation damper weather protection hood for damage.
- d) Inspect the implosion damper for functionality/cleanliness. Repair if required.

3.5 Flue Gas Duct Ash Handling Plant

Inspect/measure the venturi nozzle for erosion damage. Replace venturi section if required.

3.6 Lime coating system

1. Inspect lime coating lines and shielding for erosion.
2. Install the shield if required
3. Check functionality and clean all precoating valves and repair if necessary
4. Clean all precoating system control panels
5. Inspect the lime precoating system lines inside the ducting for erosion/corrosion damage.

3.7 Ducting (PJFFP inlet duct)

- a) Inspect the attemperation damper weather protective hood for damage
- b) Inspect the attemperation damper internal hood for erosion damage and repair where required
- c) Inspect the PJFFP inlet flow deflectors for damage and repair where required
- d) Inspect all delta wing mixers and delta wing supports for erosion damage and repair where required
- e) The Ducting and Dampers service provider to ensure that the thickness measurements on all delta wing mixers installed from the GAH outlet to the PJFFP inlet are taken and repair where required
- f) Inspect the 7.2 ducting and supports for erosion,
- g) The Ducting and Dampers service provider to ensure that the wall thickness measurements are taken where necessary and repair where required.

3.8 Draught Group Ducting & Dampers

- a) Inspect the economiser outlet duct. Inspect the expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required
- b) NDT Contractor to conduct wall thickness measurements on the economiser outlet duct, mechanical to cut and repair if required.
- c) Inspect the PJFFP outlet ducting to the inlet of the ID Fan ducting. Inspect the expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.

- d) Inspect the ID Fan outlet ducting to the chimney inlet ducting. Inspect the expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- e) Inspect the flue gas outlet damper. Inspect the linkage system, damper blades and the shaft. Do stroke checking on the damper. Perform packing adjustment or replace if required.
- f) Inspect the air inlet from atmosphere isolating damper. Inspect the linkage system, damper blades and the shaft. Do stroke checking on the damper. Perform packing adjustment or replace if required.
- g) Inspect the FD Fan inlet duct. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- h) Inspect the FD Fan discharge duct to steam air heater. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- i) Inspect the FD Fan to PA Fan suction duct. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- j) Refurbish the PA Fan to attemperator common duct isolating dampers. Do packing adjustment and replace if required
- k) Inspect the Steam Air Heater to Gas Air Heater duct. . Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- l) Inspect the Steam Air Heater louver damper. Perform stroke checking on the damper. Inspect the linkage system, ducting, damper blades and the shaft. Do packing adjustment. Replace if required.
- m) Inspect the suction ducting. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- n) Inspect the GAH air inlet ducting. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- o) Inspect the flue gas duct between the GAH and the PJFFP ducting. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- p) Conduct wall thickness measurements on the flue gas duct between the GAH ducting and the PJFFP ducting
- q) Inspect the flue gas duct from tee-off to smoke stack ducting. Inspect the ducting, expansion joints, door seals, and baffle plates, fix points, sliding points, guide points and fixed hangers. Repair if required.
- r) Inspect the GAH secondary air outlet damper. Perform stroke checking on the damper. Inspect the linkage system, ducting, damper blades and the shaft. Do packing adjustment or replace if required.
- s) Conduct wall thickness measurements on the GAH secondary air outlet ducting
- t) Inspect the GAH flue gas ducting, expansion joints, door seals, baffle plates, fix points and hangers. Conduct wall thickness measurements.
- u) Inspect primary cold air cross-over ducting, expansion joints, door seals, baffle plates, fix points and hangers
- v) Clean ash accumulation on the cross over duct
- w) Inspect the combustion air supply ducting, expansion joints, door seals, baffle plates, fix points and hangers
- x) Conduct wall thickness measurements on the secondary Air, Air Core, Sidewall air, overfire Air and tertiary Air and replace if required
- y) Inspect the primary hot air outlet damper after GAH. Inspect the linkage system, damper blades and the shaft. Do stroke checking on the damper. Perform packing adjustment or replace if required.
- z) Clean ash accumulation in the primary hot air to mills ducting
- aa) Inspect the hot primary air cross-over ducting, expansion joints, door seals, baffle plates, fix points and hangers
- bb) Clean ash accumulation in the hot primary air cross-over ducting.
- cc) Inspect the combustion air control damper. Inspect the linkage system, damper blades and the shaft. Do damper stroke checking. Perform packing adjustment or replace if required.
- dd) Inspect the core air control damper. Inspect the linkage system, damper blades and the shaft. Do damper stroke checking. Perform packing adjustment or replace if required.
- ee) Inspect the throttle valve. Inspect the linkage system, damper blades and the shaft. Do damper stroke checking. Perform packing adjustment or replace if required.
- ff) Inspect the secondary and tertiary air dividing damper. Inspect the linkage system, damper blades and the shaft. Do damper stroke checking. Perform packing adjustment or replace if required.
- gg) Inspect the ducting between combustion air control damper and splitter air damper, the expansion joints, door seals, baffle plates, sliding points and hangers. Conduct wall thickness measurements.
- hh) Inspect ducting between splitter air damper and burner top, the expansion joints, door seals, baffle plates, sliding points and hangers. Conduct wall thickness measurements and replace if required

- ii) Inspect the ducting between splitter air damper and burner bottom, the expansion joints, door seals, baffle plates, sliding points and hangers. Conduct wall thickness measurements
- jj) Inspect ducting between the core , combustion, tertiary airdamper to boiler, the expansion joints, door seals, baffle plates, sliding points and hangers. Conduct wall thickness measurements and replace/repair if required.
- kk) Inspect side wall cooling air ducting, the expansion joints, door seals, baffle plates, sliding points and hangers.
- ll) Do damper stroke checking on the side wall air control damper. Perform packing adjustment or replace if required.
- mm) Do damper stroke checking on the side over fire air control damper. Perform packing adjustment or replace if required. Inspect the linkage system, damper blades and the shaft.
- nn) Inspect the over fire air ducting, expansion joints, door seals, baffles plates, guide points and hangers. Conduct wall thickness measurements.
- oo) Inspect the side wall nozzle and replace if required.
- pp) Do stroke checking on all combustion air control dampers. Perform packing adjustment. Inspect the linkage system, damper blades and the shaft. Replace if required.
- qq) Do stroke checking on all core air control dampers. Perform packing adjustment. Inspect the linkage system, damper blades and the shaft. Replace if required
- rr) Do stroke checking on all side wall air control dampers. Perform packing adjustment. Inspect the linkage system, damper blades and the shaft. Replace if required
- ss) Conduct inspections of the 7.5 duct (ID Fan outlet damper to Absorber Inlet) and associated expansion joints. Replace damaged expansion joints if required.
- tt) Inspect the linkage system and ball joints on the ID Fan outlet damper. Replace if required.

3.9 Mill Ducting & Dampers

- a) Inspect the Hot PA duct from the GAH to the mill HOT PA dampers, including the expansion joints, door seals, baffles plates, guide points and hangers. Conduct wall thickness measurements in the areas where wear is evident. (From history, the areas next to the hot air dampers are always holed, and will need repair patching done)
- b) Do damper stroke checking on the mill cold air control dampers. Perform packing adjustment or replace if required. Inspect the linkage system, damper blades and the shaft.
- c) Do damper stroke checking on the mill hot air control damper. Perform packing adjustment or replace if required. Inspect the linkage system, damper blades and the shaft.
- d) Inspect the mill PA duct from the PA control dampers to the mill inlet, including the venturi, mixing hood, expansion joints, door seals, baffles plates, guide points and hangers. Conduct wall thickness measurements on all the worn areas. Repair holes.
- e) Do stroke checking on the mill quick close damper, perform packing adjustment or replace if required. Inspect the linkage system, damper blades, shock absorber and the shafts. Replace the shock absorber if it is leaking.
- f) Inspect the mill PA manual isolation valve, including the linkages, seals, gate, rack, pinion. Make sure the valve position indicators are in the correct position, and that all the moving parts of the valve is in serviceable condition.

3.10 General

N/A

3.11 Exclusions

- a) Scaffolding and Insulation
- b) Electrical and Control and Instrumentation components
- c) Non-destructive testing
- d) Condition Monitoring
- e) Lubrication
- f) Unauthorised modifications
- g) Civil Maintenance
- h) Supply of spares

4. Acceptance

This document has been seen and accepted by:

5. Acknowledgements

Outage Management Team

Employer's requirements for the service

Either

Describe in detail what the *Employer* requires the *Contractor* to do and how he is to do it if the *Contractor* is mainly providing labour and tools to carry out the *Employer's* requirements

Or

Provide the *Employer's* operating philosophy / user requirement specification (URS) / performance specification giving deliverables and constraints for the *service* from which the *Contractor* is to plan in detail how he is to achieve the required deliverables.

Reference could be made to an Annexure for a detailed classification of services or to the Price List in the case of Option A or C and if the Price List descriptions are complete.

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits
Abbreviation	Description
OEM	Original Equipment Manufacturer
PCLF	Planned Capability Loss Factor
QCP	Quality Control Plan
SOW	Scope of Work
UCF	Unit Capability Factor
UCLF	Unplanned Capability Loss Factor
QA	Quality assurance
QC	Quality Control
NDT	Non Destructive Testing
PCM	Process Control Manual

Management strategy and start up.

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.

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</i> and _____

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.

Invoicing and payment

Refer to the NEC Document: Data by Employer Clause 5, Payment. Information is detailed in Clause 50.1, 51.1, 51.2 and 51.4.

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)

Management of work done by Task Order

.

All work may be done in terms of Task Orders

Health and safety, the environment and quality assurance

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

Environmental constraints and management

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

Quality assurance requirements

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.

BBBEE and preferencing scheme

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

Working on the Affected Property

The areas within the jurisdiction of the identified Power Station (Kusile), as dictated by the core scope defined in the service information and Station addendum

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

Sites such as Kusile Power Station have very strict entrance requirements which tendering contractors need to adhere to in terms of arranging the gate access within 24 hours before the access can be given, and the *Contractor* has to comply with.

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

People restrictions, hours of work, conduct and records

It is very important that the *Contractor* keeps records of his people working on the Affected Property Kusile Power Station, including those of his Subcontractors. The *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

Health and safety facilities on the Affected Property

Refer to Rope Access and clinker removal SHE Specification

Environmental controls, fauna & flora

N/A

Records of *Contractor's* Equipment

N/A

Equipment provided by the *Employer*

The Employer to provide overhead cranes, Goods and Passenger Lift and Winch made available for use by the employer and set out conditions relating thereto.

Site services and facilities

Provided by the *Employer*

This is a mandatory cross reference form clause 25.2 in TSC3. The *Employer* will provide the power, water, waste disposal, ablutions facilities, permeant fire protection and lighting (etc.) on the Affected Property. The *Contractor* shall provide everything else necessary for providing the Service.

Provided by the *Contractor*

N/A

Control of noise, dust, water and waste

The contractor needs to provide their own PPE as per the SHE Specification requirements.

Hook ups to existing works

N/A

Tests and inspections

Description of tests and inspections

N/A.

Materials facilities and samples for tests and inspections

N/A

List of drawings

Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title

Annexure A: Table of Low Service Damages(X17)

- Low Service Damage Description	- Value of Low Service Damage	- Limit of Damage
- Service delaying the Outage Critical Path (Delaying other Contractor(s) from starting/completing their work)	- 1.5% of Task Order per day	- Limited to Task Order
- Service delays not finishing as per agreed upon programme submitted to the Service Manager	- 1% of Task Order per day	- Limited to Task Order
- Submission of documents as per agreed upon CDSS in this service agreement	- 0.5% of Task Order per day	- Limited to Task Order
- Rework due to poor workmanship	- 2% of Task Order per day	- Limited to Task Order
- No response of NCR within 3 days	- 1% of Task Order per day	- Limited to Task Order
- Late response to call outs emergencies during execution	- 1% of Task Order per day	- Limited to Task Order