



NEC3 Term Service Contract (TSC3)

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

and (PTY) LTD

(Reg No. 2000/020317/07)
for the Calibration of Test Equipment

Contents:	No of pages
Part C1 Agreements & Contract Data	[•]
Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]

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 <i>Employer</i>	[•]
C1.2b Contract Data provided by the <i>Contractor</i>	[•]
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	[•]

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:

The provision of Calibration of Test Equipment for Hendrina Power Station a period of 4 years

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
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

	(in words) <hr/> <hr/> <hr/>
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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:

(Insert name and address of organisation)

Name &

signature of

Date witness

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. 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 |

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

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)

Capacity

**for the
Employer**

(Insert name and address of organisation)

Name &

signature of

Date witness

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

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
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Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

1		
2		
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5		
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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:**For the Employer**

Signature

Name

Capacity

On behalf of *(Insert name and address of organisation)*

(Insert name and address of organisation)

Date

Name &
signature
of witness

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	Thandi Malobola
	Address	Hendrina Power Station, Impala Street, Pullenshope
	Tel	<u>013 296 3777</u>
	Fax e-mail	013 296 3388 MaloboDT@eskom.co.za
11.2(2)	The Affected Property is	Hendrina Power Station
11.2(13)	The <i>service</i> is	The provision of Calibration of Test Equipment for Hendrina Power Station for a period of 5 years
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
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	2 days
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	N/A
3	Time	
30.1	The <i>starting date</i> is.	01 November 202
30.1	The <i>service period</i> is	5 years

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	Every Last day of the 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	14 days
51.4	The <i>interest rate</i> is	<p>(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</p> <p>(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</p>
		such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> 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
	These are additional compensation events:	
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

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

8 Risks and insurance

80.1 These are additional *Employer's* risks

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 *Contractor* prepares forecasts of the final **N/A** total of the Prices for the whole of the *service* at intervals no longer than

11 Data for Option W1

W1.1	The <i>Adjudicator</i> is (Name)	the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him.
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za)
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 nominee of the Association of Arbitrators	the Chairman for the time being or his arbitrator
	- if the Parties cannot agree a choice or	(Southern Africa) or its
	- if the arbitration procedure does not state who selects an arbitrator, is	successor body.

12 Data for secondary Option clauses

X1 Price adjustment for inflation

	Index used	Proportion	Table used
	C-3 Labour	65%	Seifsa C3
	L1 (B)- Transport	20%	Seifsa L1B
		15%	Non-Adjustable

		100%
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	
X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect R0.00 or consequential loss is limited to	
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/live/content.php?Item_ID=9248
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?Item_ID=9248

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

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	<p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <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	One (1) month after the end of the <i>service period</i>.

Z

The additional conditions of contract 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).

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

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.

Calibration of Test Equipment at Hendrina Power Station for a period of 5 years.

Z9 Notifying compensation events

Z9.1 Delete from the last sentence in core clause 61.3, and replace with: If a Contractor does not notify compensation event within eight weeks of becoming aware of the event, he is not entitled to the change in 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 under the compensation events stated in this contract.

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

Z11.1 or had a judicial management order granted against it.

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 Leighton Itholeng (Tel.: +27 (0)11 800 4031) (Fax :+27 (0)86 668 0419) E-mail: Leighton.Itholeng@eskom.co.za

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
	The <i>Contractor</i> is (Name):	
	Address	
	Tel No.	
	Fax No.	
10.1	E-mail	
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 .

A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	Rands
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

The conditions of contract

1. How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract, June 2005 (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 and where 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.

2. 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.

3. 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).

4. Preparing the price list

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC Guidance Notes pages 14 & 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

PART C2: PRICING DATA

1

C2.1 TSC3/A PRICING ASSUMPTIONS

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

4.1 Format of the *price list*

(From page 73 of 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***CALIBRATION INSTRUMENTS**

<u>DESCRIPTION</u>	<u>QUANTITY</u>
BUDENBERG DEADWEIGHT TESTER	2
MEMOCAL 81B	10
MEMOCAL 2000	10
FLUKE 77	4
FLUKE 87	14
FLUKE 187	6
FLUKE 177	6
FLUKE 725	4
FLUKEE 8840A	2
FLUKE 871	2
FLUKE 773 CLAMP ON	4
FLUKE 568	2
MAJOR TECH OPEN JAW K2300 1000AAC/DC CLAMP METER	2
CRYSTAL DIGITAL PRESSURE GAUGES	8
CPG 1500 DIGITAL PRESSURE GAUGES	4
CPG 1200 DIGITAL PRESSURE GAUGES	4
BUDENBERG DIAL GAUGES 250MM AND 100MM DIAL	12
DRUCK DPI 620	5
DRUCK DPI 610	2
DRUCK DPI 615	3
BLOCK CALIBRATOR TECHE DB700A /CTD9100-650	2
TORQUE WRENCH	2
T1270 IMAGING CAMERA	2
CLAMP ON FLOW METER	2
HYDROLIC CALIBRATOR	2
DRYWELL CALIBRATOR	3
RESISTANCE BOX	4
TEMPERATURE AND HUMIDITY TESTER	2
ERO ELECTRONIC OHM ERO	4
HONEYWELL PYROMETERS	56
HAND HELD FLOW METER TTULFP	1
FUNCTION GENERATOR	1
OSCILLOSCOPE	1
BEAMEX TEMP CALIBRATOR	1
BEAMEX PRESSURE CALIBRATOR	1
PHILLIPS FUNCTION GENERATOR	1

GW POWER SUPPLY	8
MEGGER	2
DRAGER ARNL X-AM 0047 GAS DETECTOR	1
MULTIRAE GAS DETECTOR	1
TESTO O2 ANALYSER TESTER	2
FLEXIM PORTABLE CLAMP ON FLOW METER	2
SHAW DEW POINT METER	1
QUEST TEMP L89203 HEAT STRESS MONITOR	1
MRU 895528 GAS AND EMISSION ANALYSER	1
INFRA RED THERMOMETER	2
BRUEL & KJAER TYPE 2236 SOUND METER	2
QUEST MODEL 1900 SOUND LEVEL METER	2
SENSIDYNE GILLIAN GILBRATOR 2 AIR FLOW METER	1
QUEST SOUND PRO SOUND LEVEL METER	4
QUEST QT34 HEAT STRESS METER	1
GOLDILUX AZUTO RANGING LIGHT METER	2
TSI IAQ CALC INDOOR AIR QUALITY METER	1
GILLIAN GIL AIR SAMPLER METER	10
ETS LINDGREN MICROWAVE METER	1

PART 3: SCOPE OF WORK

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

3.1 Service Information

3.1.1 Executive overview

The contract is for the provision of calibration of test equipment. The *Contractor* calibrates the test equipment to a standard which is traceable to National Standards. Hendrina Power Station has a number of equipment that they use in the plant to perform parameter checks on instruments to confirm or verify the inputs, outputs and also test functionality. The correctness of these equipment is very important and this is achieved by calibrating them once a year.

3.2 Description of the *service*

- 3.2.1 The *Contractor* calibrates test equipment to a standard which is traceable to National Standard
- 3.2.2 The test equipment calibration period expires.
- 3.2.3 The Contractor collects expired test equipment from site to place they will be calibrated.
- 3.2.4 Contractor dispatch expired test equipment for calibration to a SANAS accredited Laboratory for calibration
- 3.2.5 Provide a SANAS calibration certificate with each item of equipment detailing:
 - The test points used.
 - Minimum of five per measuring range
 - Equally spread over the full range
 - The results obtained.

- Test equipment used to carry out the calibration.
- 3.2.6 Provide a fault report with each item that failed the calibration, detailing where the equipment failed the calibration.
 - 3.2.7 Verify and calibrating all equipment, replacing fuses where necessary.
 - 3.2.8 The company keeps records of the calibrated equipment for 2 years after the contract has ended.
 - 3.2.9 The Contractor shall give a one-year warranty on calibrated equipment, if there are any deviations, the Contractor is liable to correct the deviation / defect at no cost to Eskom.
 - 3.2.10 The Contractor obtain cost per repair and notify Service Manager.
 - 3.2.11 A complete written quotation must be submitted to the Service Manager who will, after approval of the quotation, issue a separate order for repair and re-calibration of the equipment.
 - 3.2.12 Calibration outstanding for 2 months, or more is to be expedited and a weekly progress report, detailing the reason for delay and expected completion date, are submitted to Service Manager
 - 3.2.13 Contractor delivers all completed calibration equipment to site after notification
 - 3.2.14 The Contractor shall only make use of approved test equipment for calibrations, and which is of higher accuracy than equipment to be calibrated.
 - 3.2.15 The Contractor shall be in a position to host Eskom employee/s for a site visit to confirm that the calibrating instrumentation is according to SANAS standards.
 - 3.2.16 The site visit will include but not limited to checking the calibration certificates for the calibrating instruments.
 - 3.2.17 Contractor submits invoice to APS for calibration or repair after payment certificate is accepted.
 - 3.2.18 Guaranteed period 30days after delivery to site,
 - 3.2.19 Equipment only to be picked up from site after an official order is received.
 - 3.2.20 List of equipment to be calibrated in Appendix A

C3.1: EMPLOYER'S SERVICE INFORMATION

1 Description of the *service*

1.1 Executive overview

The provision of Calibration Service of Test Equipment for Hendrina Power Station for a period of 5 years

From the 01 November 2025 till 31 October 2030

1.2 *Employer's* requirements for the *service*

1.2.1 Service must be done by a SANAS Accredited Laboratories

1.3 Interpretation and terminology

N/A

2. Management strategy and start up.

2.1 The *Contractor's* plan for the *service*

N/A

2.2 Management meetings

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

Title and purpose	Approximate interval	Location	Attendance by:
Contract Management	Monthly	Hendrina Power Station (HPS)	C and I Department

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.

DOCUMENT C2.1

PAGE ii

PRICING DATA

2.3 *Contractor's* management, supervision and key people

Key people to be communicated with the employer before commencement of contract.

2.4 Provision of bonds and guarantees

N/A

2.5 Documentation control

- As required by the employer
- Approval of the following forms:
- Access certificate
- Employers' instruction
- Notification of defect
- Employer's assessment
- Early warning
- Compensation event
-

2.6 Invoicing and payment

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)

2.7 Contract change management

Not applicable

2.8 Records of Defined Cost to be kept by the *Contractor*

Records of all defined costs to be kept for availability on employer's request.

2.9 Insurance provided by the *Employer*

2.10 Training workshops and technology transfer

- Assist with on-job training to Hendrina C&I learners, bursars and personnel

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

2.11.1 Equipment

N/A

2.11.2 Information and other things

- The Contractor provides the Employer with all information necessary to operate, maintain, configure and change the system. This includes all usernames, passwords, IP addresses, drawings and any other information needed to gain full access to the system.

2.12 Management of work done by Task Order

N/a

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

- The *Contractor* shall comply with the Eskom and Hendrina health and safety requirements.
- **Must adhere to Eskom Life Saving Rules:**
 - Open, isolate, test, earth, bond and/or insulate before touch
 - Hook up on heights
 - Buckle up
 - Be sober
 - Permit to work

3.2 Environmental constraints and management

The *Contractor* shall comply with the Eskom and Hendrina environmental requirements.

3.3 Quality assurance requirements

The *Contractor* shall comply with the Eskom and Hendrina quality assurance requirements (QM-58).

4 Procurement

There is a cross reference from the core clause 11.2(6) definition of Disallowed Cost to the Service Information regarding procurement procedures. This part of the Service Information **MUST** include any such procedures to be able to administer Disallowed Cost.

4.1 People

4.1.1 Minimum requirements of people employed

Eskom intends to improve Skill development by ensuring that technical support is directed towards enhancing supply capacity and capability within the industry or sector of operation. By doing this the capacity and competitiveness of the local supply base will be increased and the goals of shared growth, employment creation, poverty reduction and skill development will be achieved.

Tenders are encouraged to propose Skill Development initiative in terms of the Skills required of this project as indicated in the table (matrix) below

This will form part of the contractual obligation with the successful contractor

Type of Skill	Target	Proposal
	1	
Total Skill Offered	1	

4.1.2 Supplier Development and Localization

- Valid B-BBEE Affidavit
- Company Registration documents (CIPC/CK Documents)
- Shareholders certificate (In case of a Pty)
- Certified ID Copies of all Company Directors (Shareholders)
- Proof of Residential Address of Business
- **Corporate Social Investment**

The contractor is required to propose on the table below, to identify and fund a Corporate Social Initiative / project as a direct beneficiation of the Local to Site communities that are within a Local site area around Hendrina Power Station

Eskom Target	Supplier Proposed Target
1%	0.5%

4.2 Subcontracting

Not applicable.

4.3 Plant and Materials

N/A

5 Working on the Affected Property

Some works can only be done outside normal working hours.

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

Permits will be issued by the employer for the service provider access to site

5.2 People restrictions, hours of work, conduct and records

- As determined by the service provider
- A report will be issued to the Service Manager after each service
- Monthly calibration certificates to be issued to Service Manager
- The normal working hours is from 07H00 to 16H00, Mondays to
- Thursday excluding public holidays. Lunch is between 12H00 to 12H35. On Fridays working hours are from 07H00 to 12H00

5.3 Health and safety facilities on the Affected Property

Refer to Eskom and Hendrina Health and Safety requirements.

5.4 Environmental controls, fauna & flora

Refer to Eskom and Hendrina Environmental requirements.

5.5 Cooperating with and obtaining acceptance of Others

The service provider is to cooperate with the employer's staff as per clause 25.

5.6 Records of *Contractor's* Equipment

Information regarding the service provider's equipment to be made available to the employer.

5.7 Equipment provided by the *Employer*

N/A

5.8 Site services and facilities

5.8.1 Provided by the *Employer*

N/A

5.8.2 Provided by the *Contractor*

- The *Contractor* shall provide everything else necessary for providing the Service.
- Transportation
- Accommodation

5.9 Control of noise, dust, water and waste

Noise and dust to be kept at minimal levels at all times.

5.10 Appendix A

5.10.1 List of equipment to be calibrated and quantities.

CALIBRATION INSTRUMENTS

<u>DESCRIPTION</u>	<u>QUANTITY</u>
BUDENBERG DEADWEIGHT TESTER	2
MEMOCAL 81B	10
MEMOCAL 2000	10
FLUKE 77	4
FLUKE 87	14
FLUKE 187	6
FLUKE 177	6
FLUKE 725	4

FLUKEE 8840A	2
FLUKE 871	2
FLUKE 773 CLAMP ON	4
FLUKE 568	2
MAJOR TECH OPEN JAW K2300 1000AAC/DC CLAMP METER	2
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CPG 1500 DIGITAL PRESSURE GAUGES	4
CPG 1200 DIGITAL PRESSURE GAUGES	4
BUDENBERG DIAL GAUGES 250MM AND 100MM DIAL	12
DRUCK DPI 620	5
DRUCK DPI 610	2
DRUCK DPI 615	3
BLOCK CALIBRATOR TECHE DB700A /CTD9100-650	2
TORQUE WRENCH	2
T1270 IMAGING CAMERA	2
CLAMP ON FLOW METER	2
HYDROLIC CALIBRATOR	2
DRYWELL CALIBRATOR	3
RESISTANCE BOX	4
TEMPERATURE AND HUMIDITY TESTER	2
ERO ELECTRONIC OHM ERO	4
HONEYWELL PYROMETERS	56
HAND HELD FLOW METER TTULFP	1
FUNCTION GENERATOR	1
OSCILLOSCOPE	1
BEAMEX TEMP CALIBRATOR	1
BEAMEX PRESSURE CALIBRATOR	1
PHILLIPS FUNCTION GENERATOR	1
GW POWER SUPPLY	8
MEGGER	2
DRAGER ARNL X-AM 0047 GAS DETECTOR	1
MULTIRAE GAS DETECTOR	1
TESTO O2 ANALYSER TESTER	2
FLEXIM PORTABLE CLAMP ON FLOW METER	2
SHAW DEW POINT METER	1
QUEST TEMP L89203 HEAT STRESS MONITOR	1
MRU 895528 GAS AND EMISSION ANALYSER	1
INFRA RED THERMOMETER	2
BRUEL & KJAER TYPE 2236 SOUND METER	2
QUEST MODEL 1900 SOUND LEVEL METER	2
SENSIDYNE GILLIAN GILIBRATOR 2 AIR FLOW METER	1
QUEST SOUND PRO SOUND LEBVEL METER	4
QUEST QT34 HEAT STRESS METER	1
GOLDILUX AZUTO RANGING LIGHT METER	2
TSI IAQ CALC INDOOR AIR QUALITY METER	1
GILLIAN GIL AIR SAMPLER METER	10
ETS LINDGREN MICTROWAVE METER	1