



NEC3 Term Service Contract (TSC3)

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

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

for **THE MAINTENANCE OF PULVERISED FUEL
BURNERS AND DISTRIBUTION BOXES AT KRIEL
POWER STATION FOR A DURATION OF 5 YEARS.**

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CONTRACT No. [Insert at award stage]

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:

THE MAINTENANCE OF PULVERISED FUEL BURNERS AND DISTRIBUTION BOXES AT KRIEL POWER STATION FOR A DURATION OF 5 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 or C	The offered total of the Prices exclusive of VAT is	R [●]
Option E	The first forecast of the total Defined Cost plus the Fee 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:

(Insert name and address of organisation)

Name & signature of witness

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. 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)

Capacity

for the Employer

Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199

(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

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
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:

For the Employer

Signature _____

Name _____

Capacity _____

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

Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199

Name & signature of witness _____

Date _____

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option and secondary Options	A: Priced contract with price list W1: Dispute resolution procedure X1: Price adjustment for inflation X2: Changes in the law X17: Low service damages X18: Limitation of liability X19: Task Order Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ¹ (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.	+27 11 871 3706
	Fax No.	Not applicable
10.1	The <i>Service Manager</i> is (name):	Yolani Cwala
	Address	Eskom Holdings SOC Limited, Kriel Power Station, Generation, Group, Cluster 3 Ogies/Bethal Road, Kriel
	Tel	011 615 2573
	Fax	Not applicable
	e-mail	Cwalaoy@eskom.co.za

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

11.2(2)	The Affected Property is	Kriel Power Station
11.2(13)	The <i>service</i> is	Maintenance of Pulverised Fuel Burners and Distribution Boxes for unit 1,2,3,4,5 and 6 during Outages.
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> - Any matter that has cost implication outside the agreed terms. - Any matter that may cause delays in the service. - Any force majeure issue such as protests, covid restrictions.
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	<ul style="list-style-type: none"> - During Outages within 12 hours including weekends and public holidays. - 24 Hours for Maintenance work.
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	a week of the contract date. (Level 3 plan)
3	Time	
30.1	The <i>starting date</i> is.	Contract signature date (date of the last party signing the contract)
30.1	The <i>service period</i> is	Five years
4	Testing and defects	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
5	Payment	
50.1	The <i>assessment interval</i> is	between the 5 day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	Four weeks.
51.4	The <i>interest rate</i> is	<p>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</p> <p>(ii) the LIBOR rate applicable at the time for</p>

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	1. Termination of the contract due to non-adherence of the agreed requirements/service to be executed by the Supplier.
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	One week.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	<p>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).</p>
	Address	To be known when dispute arises

Tel No.	To be known when dispute arises
Fax No.	To be known when dispute arises
e-mail	To be known when dispute arises

W1.2(3) The *Adjudicator nominating body* 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 *tribunal* is: **arbitration**

W1.4(5) The *arbitration procedure* is **the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**

The place where arbitration is to be held is **South Africa**

The person or organisation who will choose an arbitrator

- if the Parties cannot agree a choice or
- if the arbitration procedure does not state who selects an arbitrator, is **the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**

12 Data for secondary Option clauses

X1 Price adjustment for inflation

X1.1 The *base date* for indices is **One month prior the tender closing date. (2nd,3rd ,4th and 5th years anniversary are subjected to CPA claim).**

The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for	Index prepared by
	0.65	Labour Table C3(All Hourly-Paid Employees)	SEIFSA
	0.20	Transport Table L2-A	SEIFSA
	0.15	non-adjustable	
	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 *service level table* is in **Part C1.2a,Annexure A page 12.**

X18 Limitation of liability

X18.1 The *Contractor's* liability to the *Employer* 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
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<p>The greater of</p> <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	<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 month 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	Seven days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z14 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 Confidentiality

- Z4.1 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.
- Z4.2 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*.
- Z4.3 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.
- Z4.4 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*.
- Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

- Z5.1 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.

Z6 Health, safety and the environment: Add to core clause 27.4

- Z6.1 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.
- Z6.2 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.

Z7 Provision of a Tax Invoice and interest. Add to core clause 51

- Z7.1 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.
- Z7.2 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.
- Z7.3 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.

Z8 Notifying compensation events

- Z8.1 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.

Z9 Employer’s limitation of liability

- Z9.1 The *Employer’s* liability to the *Contractor* for the *Contractor’s* indirect or consequential loss is

limited to R0.00 (zero Rand)

Z9.2 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.

Z10 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

Z10.1 or had a business rescue order granted against it.

Z11 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover 83

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:**Insurance
by the
Employer** 86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

For the purposes of this Z-clause, the following definitions apply:

AAIA	means approved asbestos inspection authority.
ACM	means asbestos containing materials.
AL	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

Annexure A: Table of low service damages (X17)

Low Service Damage Description	Value of Low Service Damages	Limit of Low Service Damage
Service delays of not finishing as per agreed upon Programme submitted to the <i>Service Manager</i> .	2% of the line item per Task Order per day.	Limited to 20% of the line item per Task Order value.
For assessment that does not meet the requirements.	Limited to 25% of the line item per Task Order value.	Limited to 25% of the line item per Task Order value.
Service delays due to <i>Contractor</i> not responding on time as per Core clause 13.3	Limited to 30% of the line item per Task Order value.	Limited to 30% of the line item per Task Order value.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)¹ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

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	

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

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
11.2(19)	The tendered total of the Prices is R
C	Target contract with price list
11.2(12)	The <i>price list</i> is in
11.2(20)	The tendered total of the Prices is R
E	Cost reimbursable contract
11.2(12)	The <i>price list</i> is in

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
	This cover page	1
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	4

C2.1 Pricing assumptions: Option A

1. 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	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
	11.2	(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.

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 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.

4.1. 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*

THE MAINTENANCE OF PULVARIZED FUEL BURNERS AND DISTRIBUTION BOXES AT KRIEL POWER STATION				
Items	Description	No Outage/ Quantity	Rate	Total
	Preliminary & General			
101	Site Establishment	1		
102	Transport 120km return	168000		
103	FME Covers	9		
104	Medicals, Induction & Safety File	20		
105	Tools and consumables	10		
105	Site de Establishment	1		
		SUB TOTAL		
200	PF DISTRIBUTION BOXES PRIMARY & SECONDARY.			
201	Open the two doors on the distribution box	20		
201	Inspect primary distribution box riffles, clean the area for NDT	20		
202	Visually inspect the casing for high wear areas	20		
203	Carry out visual inspection on the secondary inlet plates and casing	20		
204	Visually inspect primary and secondary distribution boxes for temporary repairs	20		
205	Inspect the condition, movement and sealing of PF distribution box dampers	20		
		SUB TOTAL		
300	REPAIRS AND REPLACEMENT ON SECONDARY DISTRIBUTION BOX.			
301	Cut out temporary repairs and repair with window patch where possible	20		
302	Measure and confirm spares sizes if it is relevant to the Unit you working on	20		
303	Remove badly worn secondary distribution boxes and replace with new ones	20		
		SUB TOTAL		
400	REPAIRS ON THE PRIMARY DISTRIBUTION BOX			
401	Repack all damper glands	20		
402	Repair worn areas on the damper	20		
403	Repair door studs and bolts	20		
404	Repair eroded/distorted damper doors, sealing strips and casing	20		
405	Open and close PF isolating damper to ensure free movement inside.	20		
406	Cut out damper primary riffle plates (on complete distribution box)	20		
407	Install new primary riffle plates to replace	20		

	damaged ones(on complete box)			
408	Cut out bottom 80mm of the distribution plates.	20		
409	Weld in 80mm flat bar in place of the removed plates	20		
410	Close inspection doors after stroke check will all stake holders	20		
		SUB TOTAL		
500	PF BURNERS SCOPE			
501	Remove the burner from burner mouth	20		
502	Repair/Replacement of the cone	20		
503	Repairs /Replacement of liners	20		
504	Repair/Replacement of the square to rounds and burner casing	20		
505	Replacing of the small riffle box,repairs/replacement of the 30mm rear.	20		
506	Replacing of the small riffle box,repairs/replacement of the 10mmintermediate	20		
507	Replacing/repair of 10 mm stainless steel tip.	20		
		SUB TOTAL		
600	INSPECTION OF PF BURNERS			
601	inspect burner support for mechanical integrity	20		
602	Open burner liner cover to visually inspect the Burner liner	20		
603	Open the burner swirl inspection doors and inspect swirl vanes	20		
604	Open the square to round inspection cover4s&inspect the riffle plates of small riffle box	20		
605	Do inspection on the square to round section of the burner for wear	20		
606	Do a visual inspection on the PF liners inside the burner casing	20		
607	Inspect burner internals and report each component condition	20		
608	Do visual on the riffle plates inside the the square to round area	20		
609	Do visual inspection of the core air damper	20		
610	Inspect core air damper internals and adjustment arms	20		
611	Pay attention to PF erosion patterns on,Centralising pins,plates,front tip,extension ring,square tubing of burner mouth,core air pipe tip,PF pipe,core air sleeve(internall)	20		
612	Burner refractory	20		
		SUB TOTAL		
700	REPAIRS/OVERHAUL OF BURNERS			
701	Where WT is below 50% of original thickness of PF rear or intermediate sections cut out and repair using a window patch.If 2/3 of the pipe is	20		

	thinned then replace the whole pipe			
702	Replace worn or distorted stain less steel tip	20		
703	Replace worn PF liners in the burner inlet casing	20		
704	Repair worn sections on the burner inlet casing	20		
705	Replace small riffle box	20		
706	Replace square to round section on the burner inlet	20		
707	Replace/Repair deformed burner supports	20		
708	Conduct burner alignment to the boiler	20		
709	Weld build up minor worn square to round replace badly worn,thin and multiple repaired areas	20		
710	Repair worn corev air pipe	20		
711	Weld build up core air/PF sleeve-Replace if badly worn.	20		
712	Repair core air damper and adjustment mechanism to ensure free movement	20		
713	Replace distorted or cracked burner mouth cone	20		
714	Install/Repair extension ringon the cone	20		
715	Replace worn or missing centralizing plates inn the stainless-steel tip.	20		
716	Replace worn or missing centralizing pins on the cone	20		
717	Repair the air swirl. Replace the swirl when damaged by excessive heat.	20		
718	Position and set up the swirl to correct location. Performance test to be conducted.	20		
719	hard facing of material to be conducted when required.	20		
		SUB TOTAL		

WORK FORCE	Days	Quantity	Rate	Amount
Normal Hours				
QC Inspector level 1	Hours	9600		
Qualify Safety Office	Hours	9600		
Planner/Schedule	Hours	9600		
Fitters(4)	Hours	38400		
Supervisor	Hours	9600		
Site Manager	Hours	9600		
SUB TOTAL				
Saturdays/Overtime	Days	Quantity	Rate	Amount
QC Inspector level 1	Hours	1920		
Qualify Safety Office	Hours	1920		
Planner/Schedule	Hours	1920		
Fitters(4)	Hours	7680		
Supervisor	Hours	1920		

Site Manager	Hours	1920		
SUB TOTAL				
Sunday /Overtime	Days	Quantity	Rate	Amount
QC Inspector level 1	Hours	1920		
Qualify Safety Office	Hours	1920		
Planner/Schedule	Hours	1920		
Fitters(4)	Hours	7680		
Supervisor	Hours	1920		
Site Manager	Hours	1920		
SUB TOTAL				
GRAND TOTAL EXCLUDING VAT				

PART 3: SCOPE OF WORK

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C3.2	<i>Contractor's Service Information</i>	
Total number of pages		36

C3.1: EMPLOYER’S SERVICE INFORMATION

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1 Description of the service

1.1 Executive overview

Kriel Power Station experiences the need to maintain pulverized fuel burners and distribution boxes on a regular basis. This includes planned maintenance as well as unplanned maintenance which arise during breakdowns. The intent is to have a contract in place which will allow the maintenance to be done on an “as and when” required basis.

1.2 Employer’s requirements for the service

1.2.1 Scope of work description

- a) The scope of the contract covers mechanical fabrication and repairs on the boiler auxiliaries, in particular the PF burners, PF distribution boxes.
- b) The works must maintain the condition of every component throughout the maintenance intervals. The workload is divided between outages, namely GO and MGO.
- c) The working days during a GO are 98 days and 56 days for a MGO.
- d) The standard scope for each outage is summarized in table 1.
- e) The specific scope will be issued for each outage and may include more activities than given in table 1.

Table 1: Outage scope summary

	Quantity		
	Total per unit	MGO	GO
Working days		56	98
PF primary distribution box repairs	6	2	4
PF secondary distribution box replacement	6	1	2
PF secondary distribution box minor repairs	6	6	6
PF burner inspection	36	36	36
PF burner – Overhaul	36	12	24
PF burner – minor repairs	36	36	36

1.2.2 Description of works on the PF distribution boxes.

- a) *Contractor* shall open the two inspection doors on the distribution box.
- b) *Contractor* shall inspect the primary distribution box riffles, clean the area for the NDT to take the wall thickness of the high wear areas and visually inspect the casing.
- c) *Contractor* shall inspect the secondary distribution box inlet plates. Do a visual inspection.
- d) Visual inspection of the primary and secondary distribution boxes for temporary repairs and report by the *Contractor*.
- e) *Contractor* shall inspect the condition, movement and sealing of the PF distribution box damper.
- f) Cutting instructions will be issued to the *Contractor* when the inspection report is reviewed by engineering.

1.2.3 Repairs and Replacement on secondary distribution box

- a) Cut out temporary repairs and repair using a window patch.
- b) Cut out bottom 80mm of the distribution plates.
- c) Weld in 80mm flat bar in place of the removed distribution plates.
- d) Remove badly worn secondary distribution boxes and replace with new secondary distribution boxes.

1.2.4 Repairs on the primary distribution box

- a) *Contractor* shall repack all damper glands.
- b) *Contractor* shall repair worn areas on the damper.
- c) *Contractor* shall repair door studs & bolts. NOTE: door bolts to be stud-mounted
- d) *Contractor* shall repair eroded / distorted damper doors, sealing strips and casing.
- e) *Contractor* shall open and close PF isolating damper to ensure free movement inside and free operation of the damper links. (2 per box)
- f) *Contractor* shall cut out damaged primary riffle plates (on complete box)
- g) *Contractor* shall install new primary riffle plates to replace damaged ones (on complete box)
- h) *Contractor* shall close inspection doors only after the PF isolating dampers has been stroke checked in the presence of Eskom.

1.2.5 Description of works on the PF burners

Major repairs* of the PF burners in table 1 includes the following:

- a) Removing the burner from the burner mouth.
- b) Repair/replacement of the cone.
- c) Repairs on the liners.
- d) Repairs/replace of the square to rounds and burner casing.
- e) Replacing the small riffle box, repairs/replacement of the 30 mm rear, 10 mm intermediate and 10 mm stainless steel tip.

The final scope will be determined after inspections and only specific actions will be given to rectify defects, but the scope consist of all of the above actions.

Minor repairs* in table 1

- a) Refers to repairs done on components that can be removed from the burner without taking out the whole burner from the boiler. This includes the core air pipe, core air sleeve and window patches on the square to round.

1.2.6 Inspections

Inspections must be done from inside the boiler, via ski-jacks or an internal scaffold. The condition of the PF rear and core air sleeve must be measured from outside, with access from the half-moon inspection cover.

- a) *Contractor* shall inspect burner support for mechanical integrity
- b) *Contractor* shall open the burner liner inspection cover to have visual access to the Burner Liners.
- c) *Contractor* shall open the burner swirl inspection doors and inspect the swirl vanes.
- d) *Contractor* shall open the square to round inspection cover and inspect the riffle plates of the small riffle box.
- e) *Contractor* shall provide visual inspection on the square to round section of the burner for wear.
- f) *Contractor* shall provide visual inspection on the PF liners inside the burner casing.
- g) *Contractor* shall inspect the burner internals and report on each component.
- h) *Contractor* shall conduct visual inspection on the riffle plates inside the square to round area.
- i) *Contractor* shall conduct visual inspection of the core-air damper.
- j) *Contractor* shall inspect core air damper internals and the adjustment arms.
- k) *Contractor* shall conduct thickness tests on burner front, intermediate and rear.
- l) *Contractor* shall provide special attention to PF erosion patterns.
- m) The following items to be visually inspected for erosion, damage and wear by the *Contractor*:
 - i) Centralizing plates.
 - ii) Centralizing pins.

- iii) Burner front tip.
- iv) Extension ring on the cone.
- v) Square tubing in burner mouth.
- vi) Core air pipe tip.
- vii) PF pipe/ core air sleeve (internally).
- viii) Burner refractory.

1.2.7 Repairs/Overhaul of burners

- a) Where the thicknesses of the PF rear or intermediate sections are below 50% of original thickness cut out and repair using a window patch. Where 2/3 of the pipe is thin the whole pipe section shall be replaced by the *Contractor*.
- b) *Contractor* shall replace worn or distorted stainless steel tip.
- c) *Contractor* shall replace worn PF liners in the burner inlet casing.
- d) *Contractor* shall repair worn sections on the burner inlet casing.
- e) *Contractor* shall replace small riffle box.
- f) *Contractor* shall replace square to round section on the burner inlet.
- g) *Contractor* shall replace/Repair deformed burner supports.
- h) *Contractor* shall conduct burner alignment to the boiler.
- i) *Contractor* shall build up minor worn square to round and replace badly worn, thin and multiple repaired squares to rounds.
- j) *Contractor* shall repair worn core air pipe.
- k) *Contractor* shall build up core air/PF sleeve – Replace if badly worn.
- l) *Contractor* shall repair core air damper and adjustment mechanism-ensure free movement of mechanism.
- m) *Contractor* shall replace distorted or cracked burner mouth cone.
- n) *Contractor* shall install/repair extension ring on the cone.
- o) *Contractor* shall replace worn or missing centralizing plates in the stainless-steel tip.
- p) *Contractor* shall replace worn or missing centralizing pins in the cone.
- q) *Contractor* shall repair the air swirl and replace the swirl when it is damaged by excessive heat.
- r) Setting up the swirl air to the correct position by the *Contractor*. *Employer* (Performance and testing) shall give the setting and be present for verification.
- s) *Contractor* shall perform Hard facing of material.

Note: All Sicro 23/20 material have been replaced by 310 stainless steel.

1.2.8 General Requirements

- a) An Inspection and thickness test reports shall be submitted (per burner) to the *Burner System Engineer*.
- b) The recommendations on the inspection report, from the Burner System Engineer, will be the working instruction document.
- c) At the completion of the job a full data pack shall be handed over to BPE (Boiler Plant Engineering) with the burner repair contractor inspection report and the NDT reports from the NDT *Contractor*.
- d) The file shall have a check sheet with all the required documents listed.
- e) The check list shall be completed and signed before the COC will be signed.
- f) The *Contractor* shall submit the QCP two weeks before the outage for the scope of work.
- g) The QCP shall be approved by the *System engineer* before the works starts.
- h) The QCP shall adhere to the requirements in QM-58.
- i) All welding on the PF burners shall be according to the following Eskom standards:
 - i) 240-43156827 Introduction to the welding rulebook
 - ii) 36-775 Control of plant construction, repair and maintenance welding activities

- iii) 36-505 Personnel and entities performing welding related special processes on Eskom plant.
- j) The PF burners are classified as level 1 plant.
- k) All welding data packs and procedures shall be in line with the above standards.
- l) The welding documents required, as per 36-775, shall be approved by the IAI before any welding starts.
- m) All work carried out shall be in line with the applicable ESKOM standards. Where nothing exists, good engineering practise will be followed. This includes but is not limited to the covering of all openings and the use of approved chemicals.
- n) The above activities are the minimum activities expected to be carried out by the *Contractor*, the final scope can only be done after inspections. There are other activities that will be done but are dependent on the inspection and repair proposal approved by the *System Engineer*. All activities must be confirmed with the *Service Manager* for time and cost before the work may commence.
- o) No item of plant should leave site for refurbishment without the knowledge of the *Service Manager*.
- p) Additional information on activities required to carry out Work:
 - i) All rigging shall be done by the *Contractor*.
 - ii) Erosion patterns shall be welded up before grinding commences.
 - iii) The repairs do not include overlay patches, the only method accepted is window patching.
 - iv) All joining welds shall be full penetration welds.
 - v) With the smooth grinding on sections, the alignment on patching shall be within a range of ± 1 mm.
 - vi) Hot-boxes for welding electrodes are mandatory.
 - vii) The *Contractor* shall be on site during the light up to repair PF leaks.

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits
QCP	
COC	
NDT	
BPE	
PF	
MGO	
GO	
SANS	

2 Management strategy and start up.

2.1 The Contractor's plan for the service

- a) The *Contractor* shall submit a plan to the *Service Manager* for acceptance within the period stated (within Seven days of receiving the Task Order) refer to **X19: Task Order**.
- b) The *Contractor* shall submit information about the order and timing or method of executing the scope of work/required services.

2.2 Management meetings

All relevant meetings must be attended.

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	Quarterly	Kriel PS	<i>Employer, Contractor, and Service Manager</i>
Overall contract progress and feedback	Quarterly	Kriel PS	<i>Employer, Contractor, and Service Manager</i>

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

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

2.3 Contractor's management, supervision and key people

- a) The *Contractor* to provide a key list of personnel who will carry out the work on site with their qualifications attached.
- b) A company organogram shall be shared with the *Service Manager* to communicate accordingly to comply with the NEC3 Term Services Contract communication structures.
- c) The *Contractor* shall provide a site manager/contract manager to manage all contract related matters. Such persons is preferred to have prior experience in contract management and change of this person is communicated in writing, within 1 (one) week of such change, to the *Employer*.
- d) The *Contractor's* supervisor shall be knowledgeable, competent and fully capable to perform supervisory duties without direct or continuous supervision by the employer, to liaise and coordinate activities with various departments, including the employer's personnel and others in order to fulfill all obligations.
- e) In the absence of the relevant *Site Manager* or *Supervisor*, a replacement must be identified to take over the duties.

2.4 Provision of bonds and guarantees

Not applicable to this contract

2.5 Documentation control

- a) The information for spares to be shared electronically or hard copy.
- b) Other information provided with each spare to be shared electronic or hard copy.
- c) Information provided to be documented in such a manner that the information for each spare will be easily identifiable.

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 Invoiceseskomlocal@eskom.co.za 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;
- Purchase order number
- GR Number
- **Contractor shall invoice after approval of Assessment, Payment certificate and GR**

2.7 Contract change management

Any changes related to this official contract to be communicated to *Service Manager*.

2.8 Records of Defined Cost to be kept by the Contractor

To substantiate the Defined Cost of Compensation Events, the *Contractor* shall keep records of amounts paid.

2.9 Insurance provided by the Employer

As stated in Contract Data and as per Table A within this Service Agreement

2.10 Training workshops and technology transfer

Not applicable to this contract

2.11 Design and supply of Equipment

The *Contractor* submits a service report at the end of work which details all activities performed deviation and noted defects which could not be fixed in the allocated time. This report will also be accompanied by a handover certificate which the *Employer* must sign to declare that all activities have been done as per scope of work.

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

2.12.1 Equipment

The *Contractor* shall hand over a serviceable plant to the *Employer* by the end of this contract.

2.12.2 Information and other things

- a) At the end of the service period the *Contractor* shall returns all Equipment and surplus materials to the *Employer*.
- b) Provides items of equipment for the *Employer's* use as stated in the Service Information and provides information and other things as stated in the Service Information.

2.13 Management of work done by Task Order

- a) All work is performed in accordance with the task order issued.
- b) When any emergencies do arise, *Contractor* shall adhere to the following terms:
 - i) The *Contractor* will be informed of emergencies when the *Service Manager* first becomes aware of it.
 - ii) Response time within 1 hour for any communication when the *Contractor* acknowledges the emergency.
 - iii) Provide a programme within 2 hours after notification provided to the *Contractor*.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

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

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

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

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

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

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

3.2 Environmental constraints and management

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

The *Contractor* shall comply with the environmental criteria and constraints stated in this enquiry.

3.3 Quality assurance requirements

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

The *Contractor* shall comply with the environmental criteria and constraints stated in this enquiry.

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.

The *Contractor* shall comply with the environmental criteria and constraints stated in this enquiry.

4.1 People

4.1.1 Minimum requirements of people employed

Specify any constraints relating to people employed to Provide the Service; for example permits for foreigners, training (other than H & S), use of labour from designated areas and industrial relations.

4.1.2 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.

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

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

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

[Insert the agreed ASGI-SA Compliance Schedule here]

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

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

4.2 Subcontracting

4.2.1 Preferred subcontractors

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

4.2.2 Subcontract documentation, and assessment of subcontract tenders

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

4.2.3 Limitations on subcontracting

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

4.2.4 Attendance on subcontractors

State requirements for attendance on Subcontractors, if any

4.3 Plant and Materials

4.3.1 Specifications

Refer Scope of Work

4.3.2 Correction of defects

- a) The *Service Manager* arranges with the *Employer* to allow the *Contractor* access if it is needed for correcting a Defect.
- b) The *Contractor* needs to correct a Defect within one day or when the first available opportunity arises.

4.3.3 *Contractor's* procurement of Plant and Materials

- a) The *Contractor* will do all procurement of materials required to execute the service according to own procurement processes.
- b) All materials purchased by the *Contractor* to be installed to Affected Property will be kept and preserved according to the storage relevant specification.

4.3.4 Tests and inspections before delivery

- a) The *Contractor* does not utilise those Plant and Materials which the Service Information states are to be tested or inspected before delivery until the *Service Manager* has notified the *Contractor* that they have passes the test or inspection.
- b) All holding points on QCP should have been adhered to and signed off by both parties before accepting any material or goods on site.

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

The *Employer* shall provide loading and offloading plant .

- a) Forklift
- b) Overhead crane

4.3.6 Cataloguing requirements by the *Contractor*

Not applicable to this contract

5 Working on the Affected Property

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

- a) The *Contractor* provides the necessary resources to carry out the service as stated in the Service Information.
- b) The *Contractor* provides everything to carry out the Service Information of this contract unless where otherwise stated in this Service Agreement. Everything that should be provided by the *Employer* is stated in this Service Agreement, anything not stated in the Service Agreement should be provided by the *Contractor* to execute the work as stated in the Service Information.

5.2 People restrictions, hours of work, conduct and records

- a) The *Contractor* shall provide the necessary resources to carry out the service as stated in the Service Information.
- b) The *Contractor* shall provide everything to carry out the Service Information of this contract unless where otherwise stated in this Service Agreement. Everything that should be provided by the *Employer* is stated in this Service Agreement, anything not stated in the Service Agreement should be provided by the *Contractor* to execute the work as stated in the Service Information.
- c) It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his *Subcontractors*.
- d) The *Service Manager* shall have access to all records of the *Contractor* and *Subcontractor* at any time when deemed necessary.

5.3 Health and safety facilities on the Affected Property

Any emergency equipment or fire suppression systems to be utilized by the *Contractor* when an emergency arise.

5.4 Environmental controls, fauna & flora

General environmental requirements referred to in section 3 above, Kriel Power Station ISO14001.

5.5 Cooperating with and obtaining acceptance of Others

- a) The *Contractor* cooperates with the personnel during delivery.
- b) The *Contractor* cooperates with the *Employer's* team during site visits and in ensuring that the goods are delivered in accordance to all requirements.

5.6 Records of *Contractor's* Equipment

- a) The *Contractor* shall keep record of his equipment on site with relevant inspections carried out.
- b) Inspection reports should be accessible by the *Service Manager* at any given time when he deems necessary.
- c) All equipment or tools signed in by the *Contractor* shall strictly adhere to the gate access rules and procedures.
- d) All Equipment including hired shall be inspected and approved before accepted on site.
- e) The *Contractor* shall keep records of all hired Equipment to execute the Service Information

5.7 Equipment provided by the *Employer*

The *Employer* shall provide loading and off-loading Equipment when required by the *Contractor*.

- a) Forklift
- b) Overheads crane

5.8 Site services and facilities

5.8.1 Provided by the *Employer*

The *Employer* will provide in the way of water, waste disposal, ablutions, fire protection and lighting (etc) on the Affected Property. Power will be provided by the *Employer* the *Contractor* needs to ensure his own cabling, connections, DB Boards and CoC certificates of installations and connections.

a) Refuse Disposal

- i) The *Employer* provides special colour coded bins for refuse disposal. These bins are emptied by the *Employer* free of charge.
- ii) The *Contractor* ensures that all workers under his control strictly adhere to the correct use of refuse bins as stated in the Plant.

b) Supply of Electricity

- i) *Employer* will make available to the *Contractor* 220/230-volt electrical supply free of charge from the closest existing point of supply.
- ii) The *Contractor* is to make provision for the necessary extensions and plug points.
- iii) All Electrical boards must be inspected and tested before connecting to a power supply and then a CoC must be issued by the *Contractor*.
- iv) The *Contractor* will adhere to the Electrical Installation Regulations of 1992

c) Medical Facilities

- i) The *Contractor* provides a First Aid service to his employees and subcontractor. In the case where these prove to be inadequate, like in the event of a serious injury, the *Employer's* Medical Centre and facilities are available.
- ii) Outside the *Employer's* office hours, the *Employer's* First Aid Services are only available for serious injuries and life-threatening situations.
- iii) The *Employer* is entitled, however, to recover the costs incurred, in the use of the above *Employer's* facilities, from the *Contractor*.

d) Toilet Facilities

- i) The *Employer* provides the *Contractor* access to toilet facilities.
- ii) Temporary chemical toilets are provided by the *Contractor* were deemed necessary.

5.8.2 Provided by the *Contractor*

- a) The *Contractor* shall provide accommodation and transportation of their personnel.
- b) The *Contractor* shall provide transportation of the machinery and equipment required to execute the scope of work to Kriel Power Station.

5.9 Control of noise, dust, water and waste

Not applicable to this contract

5.10 Hook ups to existing works

Any work performed at heights, *Contractor* must adhere to the correct safety standards, procedures and specifications stated in the health and safety risk management of Kriel Power Station.

5.11 Tests and inspections

5.11.1 Description of tests and inspections

As per the *Employer's* service information 1.2.6

5.11.2 Materials facilities and samples for tests and inspections

As per the *Employer's* service information 1.2.6

6 List of drawings

6.1 Drawings issued by the *Employer*

Not applicable to this contract