

ANNEXURE C:
Tender number: TNPA/2023/03/0003/25670/RFP

SECTION 4: Pricing Information

BILL OF QUANTITIES

Item	Description	Unit	Qty	Rate	Total
1.	Annual flushing and cleaning of resultant waste collection of Hazmat drains located at Venezuela Road, Borneo Road, Wharfside Road, Celebes Road, Cubu Road, Jave Road, Honshu Road, Hokkaido Road, Iran Road, Abadan Road, Company sites and petrol roads in the "Island view" complex (Pipe size 700mm- 1000mm) including chambers.	M	4000		
2.	Video survey of all cleaned sections of the Hazmat reticulation system. Service provider to submit A DVD copy and hard copy of survey for each section survey	M	4000		
3.	Service provider to collect water samples and send it to the accredited Laboratory	NO.	12		
4.	Clean up and disposal of products if found in the hazmat lines	Tons	250		
5.	Contractor to supply dragger machine for testing air	NO.	1		
6.	All manhole covers to have new signage and made visible on completion	NO.	70		
7.	Safety File (Documents to be updated annually)	NO.	1		
Cost Year 1 (Y1) value (excluding VAT and inflation)					
Total contract value for 3 years = (Cost Year 1 (Y1) excluding VAT and inflation) X 3					R
Value Added Tax @ 15%					R
Total contract value for 3 years (including VAT)					R

Notes to the Multi-Year Pricing Table:
The first year of the contract will not be subject to price escalation
Cost for Year 2 (Y2) will be Total costs of Year 1 (Y1) x CPI adjustment in accordance with the formula below
Cost for Year 3 (Y3) will be Total costs of Year 2 (Y2) x CPI adjustment in accordance with the formula below

Notes to Pricing:

- a) Respondents, if awarded the contract, are required to indicate that their prices quoted would be kept firm and fixed for a period of 12 months, subject thereafter to adjustment (i.e., after the initial period of 12 months), utilizing the Consumer Price Index (CPI) as per below:

CONTRACT PRICE ADJUSTMENTS

Formula

b) Prices submitted for this bid will be regarded as non-firm and subject to adjustment(s) in terms of the formula set out below,

c) The following price adjustment formula will be applicable for calculating Contract price adjustments (CPA).

$P_a = (1-V) P_t ((CPI)) + VP_t$ where:

<i>P_a</i>	=	The new adjusted price to be calculated
$(1-V)P_t$	=	85% of the original bid price
<i>CPI</i>	=	In this tender Transnet will only use the Consumer Price Index (CPI) as a single factor from the Statistical Release "P0141" – Consumer Price Index, published by the Department of Statistics, South Africa.
<i>VP_t</i>	=	15% (or 0.15) of the original bid price. This portion of the bid price remains fixed, i.e., it is not subject to price adjustment.

Formula component definitions:

Adjustable amount: $(1-V) P_t$

d) The adjustable amount is the portion of the bid price, which is subject to adjustment. In this contract, the adjustable amount is 85% of the original bid price. For example, if the bid price is R1000, then only R850 will be subject to adjustment.

Fixed portion: VP_t

e) The fixed portion represents those costs that will not change over the adjustment period and DOES NOT represent the profit margin. In this bid, the fixed portion is 15% of the original bid price. Using the same example as above, it would amount to R150 which will remain fixed over the contract period.

Cost components and proportions: D1

f) The cost components of the Contract price usually constitute the cost of materials (raw material or finished product), cost of direct labour, cost of transport and those other costs that are inclined to change. The proportions are the contribution to the contract price of each of these cost components. In this bid, the Consumer Price Index (CPI) Statistical release P0141 will be used to adjust the price adjustments.

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Cost Component	% Contribution
D1 – Consumer Price Index	100% of 85%
TOTAL (Cost components must add up to 100%)	100 %

Applicable indices / references:

g) The applicable index refers to the relevant market index, which is a true reflection of price movement(s) in the cost over time. In this bid the following indices or reference will be applicable:

Cost component	Index Publication	Index Reference
D1- Consumer Price Index	Stats SA, Statistical Release P0141	P0141

Base Index Date

h) The base index date applicable to the formula is defined as the date of advertisement of the bid. The P0141 Stats SA Statistical release in the month of the tender will be used as the base index. If a Stats SA Statistical release P0141 is not published in the month in which the tender is advertised, the first Statistical Release P0141 in the month immediately prior to the month of the tender being advertised shall be used.

End Index Date

i) The end index dates are the dates at predetermined points in time during the Contract period. In this bid the end indices are the indices published in the month immediately following the annual anniversary of the month in which the tender is advertised. In other words, months 13, 26, 39 etc.

Price Adjustment Periods

j) Adjustments to contract prices will be applied for on an annual basis