



## NEC3 Term Service Contract (TSC3)

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

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

for **THE PROVISION OF MEDUPI POWER STATION  
MAJOR MILL OVERHAUL SERVICES**

<b>Contents:</b>	<b>No of pages</b>
<b>Part C1 Agreements &amp; Contract Data</b>	<b>[•]</b>
<b>Part C2 Pricing Data</b>	<b>[•]</b>
<b>Part C3 Scope of Work</b>	<b>[•]</b>

**CONTRACT No.**

## PART C1: AGREEMENTS & CONTRACT DATA

<b>Contents:</b>	<b>No of pages</b>
<b>C1.1 Form of Offer and Acceptance</b>	<b>[•]</b>
<b>C1.2a Contract Data provided by the <i>Employer</i></b>	<b>[•]</b>
<b>C1.2b Contract Data provided by the <i>Contractor</i></b>	<b>[•]</b>
<b>C1.3 Proforma Guarantees</b>	<b>[•]</b>

## 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 Provision of Medupi Power Station Major Mill Overhaul Services

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	<b>R [Rate Based]</b>
	Sub total	<b>R [Rate Based]</b>
	Value Added Tax @ 15% is	<b>R [Rate Based]</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>R [Rate Based]</b>
	(in words) <b>[Rate Based]</b>	

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:

<sup>1</sup> 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**

(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)

\_\_\_\_\_

Name &amp; signature of witness \_\_\_\_\_

\_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_

## C1.2 TSC3 Contract Data

### Part one - Data provided by the *Employer*

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		<b>A: Priced contract with price list</b>
	dispute resolution Option	<b>W1: Dispute resolution procedure</b>
	and secondary Options	
		<b>X1: Price adjustment for inflation</b>
		<b>X2: Changes in the law</b>
		<b>X13: Performance guarantee</b>
		<b>X17: Low service damages</b>
		<b>X18: Limitation of liability</b>
		<b>X19: Task Order</b>
		<b>Z: Additional conditions of contract</b>
	of the NEC3 Term Service Contract April 2013 <sup>2</sup> (TSC3)	
10.1	The <i>Employer</i> is (name):	<b>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</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>
10.1	The <i>Service Manager</i> is (name):	<b>TBC</b>
	Address	<b>Medupi Power Station, Steenbokpan Road</b>
	Tel	
	e-mail	
11.2(2)	The Affected Property is	<b>Medupi Power Station</b>
11.2(13)	The <i>service</i> is	<b>The Provision of Medupi Power Station Major Mill Overhaul Services</b>

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 [www.ecs.co.za](http://www.ecs.co.za)

11.2(14)	The following matters will be included in the Risk Register	<b>All additional risks will be proactively identified, registered and addressed during the risk reduction meeting that will take place as agreed between the parties that will take place as agreed between the parties</b>
11.2(15)	The Service Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.1	The <i>language of this contract</i> is	<b>English</b>
13.3	The <i>period for reply</i> is	<b>02 days, for H&amp;S related matters 24hrs</b>
<b>2</b>	<b>The Contractor's main responsibilities</b>	
21.1	The <i>Contractor</i> submits a first plan for acceptance within	<b>2 days after issuing Task Order or any other period agreed by Parties</b>
<b>3</b>	<b>Time</b>	
30.1	The <i>starting date</i> is.	<b>TBC</b>
30.1	The <i>service period</i> is	<b>The end of the service period will be after 60 months or completion of the 90 mills whichever comes first.</b>
<b>4</b>	<b>Testing and defects</b>	
42.2	The <i>Contractor</i> corrects notified Defects within	<b>48hrs</b>
<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>between the 21 days of each successive month after submission of supporting documentation and issue of Service Manager payment certificate.</b>
50.3	Retention	<b>10% of invoice amount will be retained and released to the Contractor upon issue of completion certificate</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2	The period within which payments are made is	<b>30 calendar days after reception of a valid tax invoice/ 60 calendar days after reception of a valid tax invoice for contract value above 50 million rand</b>
51.4	The <i>interest rate</i> is	<b>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</b>
<b>6</b>	<b>Compensation events</b>	
		<b>As per NEC3 TSC Core clause 6</b>

<b>7</b>	<b>Use of Equipment Plant and Materials</b>	<b>As per NEC3 TSC Core clause 7</b>
<b>8</b>	<b>Risks and insurance</b>	
80.1	These are additional <i>Employer's</i> risks	<b>Only the risks listed under sub-clause 80.1 of the NEC3 TSC. All additional risks will be proactively identified, registered and addressed during the risk reduction meeting that will take place as agreed between the parties</b>
<b>9</b>	<b>Termination</b>	<b>This contract will end as per the reasons stated in NEC TSC core clause 9 and if the contract value is depleted or at the end of the contract whichever comes first. 30 days notice will be given to the Contractor.</b>
<b>10</b>	<b>Data for main Option clause</b>	
<b>A</b>	<b>Priced contract with price list</b>	
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	<b>Four (4) weeks.</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i>	<b>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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a>). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).</b>
	Address	<b>1st Floor, Maisels Chamber, 4 Protea Place, Sandton</b>
	Tel No.	<b>011 320 0600</b>
	Fax No.	<b>011 320 0533</b>
	e-mail	<b>info@arbitration.co.za</b>
W1.2(3)	The <i>Adjudicator nominating body</i> is:	<b>the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ) or its successor body.</b>
W1.4(2)	The <i>tribunal</i> is:	<b>arbitration</b>
W1.4(5)	The <i>arbitration procedure</i> is	<b>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</b>
	The place where arbitration is to be held is	<b>South Africa</b>
	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

**This is the month before the month in which the enquiry closed. Rates are fixed and firm for first 12 Months after Contract Date. There after CPA escalation will apply.**

The proportions used to calculate the Price Adjustment Factor are:

Proportion	Linked to index for	Index prepared by
3.76%	Preliminaries & General	SEIFSA Table D-4 [Consumer Price Index (CPI)]
72%	Labour	SEIFSA Table C-3 [All Hourly-Paid Employees]
9%	Transportation & Lifting Equipment	SEIFSA Table P-2 [Lifting and handling equipment and parts thereof]
0.24%	Workshop Consumables	SEIFSA Table D-4 [Consumer Price Index (CPI)]
15%	Fixed: Non-adjustable	
100%		

X2 Changes in the law

**As per NEC3 TSC Secondary Option clause X2, changes in the law of the Republic of South Africa**

X17 Low service damages

**X17 table will be discussed during monthly contract meetings.**

X17.1 The *service level table* is in

Low Service Damage Description	Value of Low Service Damages	Limit of Low Service Damage
Exceeding allowable overhaul duration beyond the accepted program without agreement from the Service Manager	5% of Task Order per month	Limited to 10% of the Task Order value
Failure to respond in writing to NCR within stipulated timelines will result in penalties.	5% of Task Order per month	Limited to 10% of Task Order Value

Daily Task Execution Progress updates to be communicated twice per shift as a minimum, failure will result in penalties. (Proof to put effect to penalty will be written request on agreed platform with Service Manager)	R10 000 per Day/Overhaul/ Breakdown and or any Task.	Limited to R50 000
Failure of PSR authorisation of ALL Supervisors, Senior Artisans (Team leaders) and Site Manager after the first 6 months of the contract will result in penalties.	5% of Task Orders for the first year. 10% for the second until year 5	Limited to 10% of Task Order Value
Failure of FFR competence of ALL Personnel after the first 12 months of the contract will result in penalties.	5% of Task Orders for the first year	Limited to 10% of Task Order Value
No re-work will be accepted	5% of Task Orders for the services and 100% cost of spares if spares are re-issued	Limited to 10% of Task Order Value
Non-Compliance to PM's Schedules especially 10KHrs service (PM's)	3% of Task Orders for the first year	Limited to 5% of Task Order Value
Execution of repairs less than 1000 running hours After a Major Overhaul constitute a penalty.	3% of Task Orders for the first year	Limited to 5% of Task Order Value
Failure to Submit QCP's 3 days prior to the execution of works	R10 000 per Day	Limited to R50 000
Mean Time to Repairs  No repairs to be to be executed on Rebuild items within 10KHrs period. This excludes wear liners. Any form of repairs and replacement on Major Rebuild items with the 10Khrs will constitute a penalty	5% of Task Orders for the first year	Limited to 10% of Task Order Value
Non-compliance to safety requirements	5% of Task Order	Limited to 10% of Task Order Value
Failure to closeout safety incidents within stipulated timelines	5% of Task Order	Limited to 10% of Task Order Value
Work stoppages due to Contractors internal HR failure	R10 000 once-off deductive from the task order and then a further R10 000 per day work stoppage is resolved.	

KPI	Intent of KPI	Year-On Year Target Requirement	Initial Year Performance Target
Mill Major Overhaul PM Compliance (SAP Stats)	1. Ensure Major Mill Overhauls work is 100% ready (this includes availability of spares) prior to execution of the works. Contractor is expected to submit both 2-week and 1-week look-ahead reports prior to commencing the works	Sustained at 100% compliance for work within Contractor's control	100% compliance to the major overhaul PMs
Mill Major Overhaul PM Schedule Compliance (SAP Stats)	Measure how accurately and effectively the Contractor meets scheduled work compliance.	All scheduled work should be complete scheduled timeline	All scheduled work should be completed the scheduled timeline
NCRs (Quality Department Stats)	1. Continuous improvement & error prevention	< 1 annually	< 4 within first year
Technical Support Reporting (Engineering GPSS to be used to determine duration of breakdown or Contractor inspection reports)	1. Gather a sense of ownership within the Contractor's team. 2. Submit a failure report of all mill's major breakdowns >24Hours, indicating what was found on inspections Including pictures of failures. 3. Submit Complete Data Pack for mill major overhauls.	100% reports submitted within 24 hours of incident/ failure	> 80 % within first year
PSR Authorizations (Training Department Stats)	1. For the sake of this contract ALL Artisans, Senior Artisans (Team leaders), Supervisors, Planners and site Managers <b>must be AUTHORISED</b> in terms of Plant Safety Regulations on the core scope of this contract. 2. Contractor involvement in ownership and accountability to compliance of plant safety regulations. 3. Ensure contractor has enough personnel authorised to cover all shifts and work execution of works required on the plant.	100% Authorised every 2 years for ALL Artisans, Senior Artisans (Team leaders), Supervisors, Planners and site Managers	PSR authorisation of ALL Supervisors, Senior Artisans (Team leaders) and Site Manager after the first 12 months.
FFFR Competency (Training Department Stats)	1. For the sake of this contract all artisans, Senior Artisans (Team leaders), Supervisors, Planners and site Managers must be competent in terms of Fossil Fuel Firing Regulations on the core scope of this contract. 2. Contractor involvement in ownership and accountability to compliance of Fossil Fuel Firing Regulations. 3. Ensure contractor has enough personnel competent to cover all shifts and work execution of works required on the plant.	100% competency bi-annually	100% competency
	1. Mills where work is being undertaken should be clear of spares laying in and around the mill and or vicinity i.e. spider rings.		

X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	<b>R0.0 (zero Rand)</b>
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	<b>the amount of the deductibles relevant to the event</b>
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<b>The greater of</b> <ul style="list-style-type: none"> <li>• the total of the Prices at the Contract Date and</li> <li>• 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</li> </ul>
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	<b>the total of the Prices other than for the additional excluded matters.</b>  <b>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</b>  <b>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</b> <ul style="list-style-type: none"> <li>• Defects due to his design, plan and specification,</li> <li>• Defects due to manufacture and fabrication outside the Affected Property,</li> <li>• loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• infringement of an intellectual property right.</li> </ul>
X18.5	The <i>end of liability date</i> is	<b>12 months after the end of the <i>service period</i>.</b>
<b>X19</b>	<b>Task Order</b>	<b>Sectional completion of the works will apply as follows:</b> <ul style="list-style-type: none"> <li>• Partial completion certificate to be issued after successful commissioning</li> <li>• Completion certificate to be issued after mill has been running stable for 2000hrs after commissioning</li> </ul>
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	<b>5 days of receiving the Task Order</b>
<b>Z</b>	<b>The <i>additional conditions of contract</i> are</b>	<b>Z1 to Z14 always apply.</b>

**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.

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**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	<b><u>Loss of or damage to property</u></b> The replacement cost  <b><u>Bodily injury to or death of a person</u></b> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the	The amount required by the applicable law



*Contractor* arising out of and in the course of their employment in connection with this contract

**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:

<b>AAIA</b>	means approved asbestos inspection authority.
<b>ACM</b>	means asbestos containing materials.
<b>AL</b>	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.
<b>Ambient Air</b>	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.
<b>Compliance Monitoring</b>	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.
<b>OEL</b>	means occupational exposure limit.
<b>Parallel Measurements</b>	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
<b>Safe Levels</b>	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.
<b>Standard</b>	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.
<b>SANAS</b>	means the South African National Accreditation System.
<b>TWA</b>	means the average exposure, within a given workplace, to airborne asbestos fibres, normalized 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 affected 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.

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

## PART 2: PRICING DATA

### TSC3 Option A

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

## C2.1 Pricing assumptions: Option A

### How work is priced and assessed for payment

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

<b>Identified and defined terms</b>	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"><li>the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and</li><li>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.</li></ul>
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

### Function of the Price List

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

### Link to the *Contractor's* plan

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

### Preparing the *price list*

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

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

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;

- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

**Format of the *price list***

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

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

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

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

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

## C2.2 the *price list*

Item nr	Description	Unit	Quantity	Rate
<b>1.</b>	<b><u>PRELIMINARIES &amp; GENERAL:</u></b>			
<b>1.1</b>	<b>Health and Safety</b>			
1.1.1	Health and Safety File	No	1	
1.1.2	Occupational Hygiene Survey for and Including the Following:	Sum	1	
	• Hazardous Chemical Agent (Crystal and Silica- Respirable dust)			
	• Illumination			
	• Noise			
	• Ergonomics			
	• Hand Arm Vibrations			
<b>1.2</b>	<b>Safety PPE - 2 x Sets Per Person Per Year for 5 Year</b>			
1.2.1	Site Manager PPE (Per Year for 5 Years (1 employee))			
1.2.2	Admin Clerk/Secretary PPE Per Year for 5 Years (1 employee)	Per Year	1	
1.2.3	Safety Officer PPE Per Year for 5 Years (1 employee)	Per Year	1	
1.2.4	Mechanical Fitter (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.5	Semi-Skilled Assistant (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.6	C&I Technician (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.7	QC/QA Coordinator (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.8	Mechanical Supervisors (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.9	Rigger PPE (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.10	Rigger Assistant (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.11	Welder B Class (Per Year for 5 Years (1 employee))	Per Year	1	



1.2.12	Driver (Crane/Forklift/Truck) (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.13	Technical Manager PPE (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.14	Electrician PPE (Per Year for 5 Years (1 employee))	Per Year	1	
1.2.15	Storeman PPE (Per Year for 5 Years (1 employee))	Per Year	1	
	<b>PLEASE NOTE: None off the following will be Paid or Priced for. These Items MUST be Part of The Tenderer/Contractor Company "Overheads" and WILL NOT Be Entertained as Compensation Events (CE's)</b>			
	<b>1. Accommodation: All Employees MUST be Local.</b>			
	<b>2.Security Clearances: Tenderer/Contractor MUST make sure That ALL Employees MUST be Security Cleared</b>			
	<b>3. Insurances: Tenderer/Contractor MUST make sure that ALL Insurances according to NEC3 Contract &amp; According to Law is in place.</b>			
	<b>4.Site Establishment &amp; De-Establishment:</b>			
	<b>5.Storage Containers, Site Offices, Ablutions, Staff Kitchen, Etc.: This will be supplied by ESKOM Finance.</b>			
<b>2.</b>	<b><u>LABOUR</u></b>			
2.1	Site Manager	Per Hour	1	
2.2	Admin Clerk/Secretary	Per Hour	1	
2.3	Safety Officer	Per Hour	1	
2.4	Mechanical Fitter	Per Hour	1	
2.5	Semi-Skilled Assistant	Per Hour	1	
2.6	C&I Technician	Per Hour	1	
2.7	QC/QA Coordinator	Per Hour	1	

2.8	Mechanical Supervisors	Per Hour	1	
2.9	Rigger	Per Hour	1	
2.10	Rigger Assistant	Per Hour	1	
2.11	Welder B Class	Per Hour	1	
2.12	Driver (Crane/Forklift/Truck)	Per Hour	1	
2.13	Technical Manager	Per Hour	1	
2.14	Electrician	Per Hour	1	
2.15	Storeman	Per Hour	1	
<b>3.</b>	<b><u>TRANSPORTATION AND LIFTING EQUIPMENT</u></b>			
3.1	50 Ton Mobile Crane	Per Day	1	
3.2	80 Ton Mobile Crane	Per Day	1	
3.3	Tractor and Lowbed Trailer	Per Day	1	
3.4	10 Ton Forklift	Per Day	1	
3.5	20 Ton Forklift, diesel engine	Monthly	1	
<b>4.</b>	<b><u>WORKSHOP CONSUMABLES</u></b>			
<b>4.1</b>	<b>WELDING CONSUMABLES:</b>			
<b>4.1.1</b>	<b>Welding Consumables:</b>			
4.1.1.1	Wire Brushes: Welding ancillaries - wire brush. Connection Size: 5 Row Mild Steel.	No	1	
4.1.1.2	Wire Brushes: Welding ancillaries - wire brush. connection Size: 5 Row Stainless Steel.	No	1	
4.1.1.3	AFROX Welding Rods: Afrox KV2 Creep resistance electrode - E7018-A1. Rod Size (diameter): 3.17mm, Pack Size: 4kg Box.	No	1	
<b>4.2</b>	<b>GRINDERS CONSUMABLES:</b>			
<b>4.2.1</b>	<b>Grinders Consumables:</b>			
4.2.1.1	Grinding consumables - cutting 4 inch (115mm x 1.0 mm). INGCO Cutting Disc ABR Metal 115mm x 1.0 x 22.2mm Flat centre. Cutting disc for metal and INOX.	No	1	
4.2.1.2	Grinding consumables - flopping/sanding 4 inch (115 mm) MAJESTA 60 Grit 115mm	No	1	

	Flap Discs, Steel Cutter.			
4.2.1.3	Grinding consumables - grinding discs 4 inch (115mm x 6.0 mm). INGCO Grinding Disc ABR Metal 115mm x 6.0 x 22.2mm with depressed centre for metal.	No	1	
4.2.1.4	Grinding consumables - cutting disc 9 inch (230mm x 1.6 mm). INGCO Cutting Disc ABR Metal 230mm x 1.6 x 22.2mm Flat centre. Cutting disc for metal and INOX.	No	1	
4.2.1.5	Grinding consumables - grinding discs 9 inch (230mm x 6.0 mm). INGCO Grinding Disc ABR Metal 230mm 6.0 x 22.2mm with depressed centre for metal.	No	1	
<b>4.3</b>	<b>DRILL CONSUMABLES:</b>			
<b>4.3.1</b>	<b>Drills Consumables:</b>			
4.3.1.1	METABO HSS Cutter Core Drill Bits - 14 X 55mm, Suitable for steel, cast steel, non-ferrous metals and alloys.	No	1	
4.3.1.2	METABO HSS Cutter Core Drill Bits - 18 X 55mm, Suitable for steel, cast steel, non-ferrous metals and alloys.	No	1	
4.3.1.3	METABO HSS Cutter Core Drill Bits - 20 X 55mm, Suitable for steel, cast steel, non-ferrous metals and alloys.	No	1	
4.3.1.4	METABO HSS Cutter Core Drill Bits - 22 X 55mm, Suitable for steel, cast steel, non-ferrous metals and alloys.	No	1	
4.3.1.5	METABO HSS Cutter Core Drill Bits - 24 X 55mm, Suitable for steel, cast steel, non-ferrous metals and alloys.	No	1	
4.3.1.6	Kaufmann Boilermaker marking chalk. (12 per pack).	No	1	

**PLEASE NOTE:****All rates must be VAT Excluding.****This is a 60 Month (5 Year) Contract.****This is a Rate Base Contract.**

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	

## C3.1: EMPLOYER'S SERVICE INFORMATION

### Contents

Part 3: Scope of Work	1	
C3.1: Employer's service Information	2	
1 Description of the <i>service</i>	4	
1.1 Executive overview	4	
1.2 <i>Employer's</i> requirements for the <i>service</i>	4	
1.3 Interpretation and terminology	5	
2 Management strategy and start up.	7	
2.1 The <i>Contractor's</i> plan for the <i>service</i>	7	
2.2 Management meetings	7	
2.3 <i>Contractor's</i> management, supervision and key people	7	
2.4 Provision of bonds and guarantees	7	
2.5 Documentation control	8	
2.6 Invoicing and payment	8	
2.7 Contract change management	8	
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	8	
2.9 Insurance provided by the <i>Employer</i>	8	
2.10 Training workshops and technology transfer	8	
2.11 Design and supply of Equipment	8	
2.12 Things provided at the end of the <i>service period</i> for the <i>Employer's</i> use	9	
2.12.1 Equipment	9	
2.12.2 Information and other things	<b>Error! Bookmark not defined.</b>	
2.13 Management of work done by Task Order	9	
3 Health and safety, the environment and quality assurance	10	
3.1 Health and safety risk management	10	
3.2 Environmental constraints and management	10	
3.3 Quality assurance requirements	10	
4 Procurement	12	
4.1 People	12	
4.1.1 Minimum requirements of people employed	12	
4.1.2 BBBEE and preferencing scheme	12	
4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)	13	
4.2 Subcontracting	13	
4.2.1 Preferred subcontractors	13	
4.2.2 Subcontract documentation, and assessment of subcontract tenders	13	
4.2.3 Limitations on subcontracting	14	
4.2.4 Attendance on subcontractors	<b>Error! Bookmark not defined.</b>	
4.3 Plant and Materials	14	
4.3.1 Specifications	14	
4.3.2 Correction of defects	<b>Error! Bookmark not defined.</b>	
4.3.3 <i>Contractor's</i> procurement of Plant and Materials	14	
4.3.4 Tests and inspections before delivery	<b>Error! Bookmark not defined.</b>	
4.3.5 Plant & Materials provided "free issue" by the <i>Employer</i>	14	
4.3.6 Cataloguing requirements	<b>Error! Bookmark not defined.</b>	
5 Working on the Affected Property	15	
5.1 <i>Employer's</i> site entry and security control, permits, and site regulations	15	
5.2 People restrictions, hours of work, conduct and records	15	
5.3 Health and safety facilities on the Affected Property	15	
5.4 Environmental controls, fauna & flora	15	
5.5 Cooperating with and obtaining acceptance of Others	15	
5.6 Records of <i>Contractor's</i> Equipment	16	
5.7 Equipment provided by the <i>Employer</i>	16	

5.8	Site services and facilities.....	16
5.8.1	Provided by the <i>Employer</i>	16
5.8.2	Provided by the <i>Contractor</i>	16
5.9	Control of noise, dust, water and waste .....	16
5.10	Hook ups to existing works .....	16
5.11	Tests and inspections .....	16
5.11.1	Description of tests and inspections	16
5.11.2	Materials facilities and samples for tests and inspections	16
6	List of drawings <b>Error! Bookmark not defined.</b>	
6.1	Drawings issued by the <i>Employer</i> .....	<b>Error! Bookmark not defined.</b>

## 1 Description of the service

### 1.1 Executive overview

Medupi Power Station has an urgent requirement of 90 mill refurbishments on all units for a period of 5 years (60 months). This will improve the reliability of the milling plant and hence Medupi UCLF. This document describes the details of the applicable plant areas, scope of work, standards, quality requirements, specifications, terms & conditions as well as the criteria to qualify for the tender.

### 1.2 Employer's requirements for the service

The scope to be covered will be refurbishment of 90 mills, including the raw coal feeder and other mill peripheral systems, over the period of 5 years. This means removal of all components that are no longer fit for purpose due to wear and tear, and replacing with new; to make the milling plant reliable and available for electricity generation.

The purpose of this document is to define the specified MPS265 Mill Major Overhaul Scope of Work activity requirements for Medupi Power Station. The station is expected to perform at 92% UCF, 6% PCLF and 2% UCLF, and the specified major mill overhaul activities and the management strategy must support this requirement. It is therefore imperative that the successful and suitably qualified Contractor aligns his/her organisation fully to these specified scope activities and processes set out in this document.

#### 1.2.1 Applicability

This specification shall apply to all maintenance employees as well as contracting employees that are required to perform maintenance work and/or activities in support of the Medupi Maintenance Department on the Milling Plant at Medupi Power Station.

#### 1.2.2 Additional services required

In addition to the above-mentioned Maintenance and Engineering services, the following is also required to be done by the *Contractor*:

- a) Regularly observe the equipment in operation and ensure that the plant is operated and maintained as per the requirements.
- b) Guide the operating crew on any issues present on the plant equipment which are not detected by them.
- c) Provide advice to operating personnel in person or telephonically if there are any abnormal conditions on the plant equipment or there are operational challenges.
- d) Development of Quality Control Documentation where required.
- e) Transfer of knowledge and skills to Eskom operating, maintenance and Engineering personnel on a continuous basis is a critical output.
- f) Review the training material for the milling plant and provide overview training to Medupi personnel where required.
- g) Review the Medupi milling plant strategy
- h) Review and compare the current maintenance strategy with the recommended maintenance activities from the OEM maintenance manual, and in consultation with the System Engineer update the Medupi milling plant document with the required additional tasks.

#### 1.2.3 Warranty

- a) Overhauled Mill must run stable for 2000hrs after successful commissioning

#### 1.2.4 General requirements

- a) The *Employer* and *Contractor* in this scope of work shall commit towards the following:
  - Continuous improvement of Medupi Power Station.
  - Continuous cost reduction.
  - Working together to ensure the Medupi plant availability, reliability and UCLF targets are met.
- b) The *Contractor* immediately reports all injuries as well as any threat to health or safety of which it becomes aware of on the site of the *Employer*.

- c) The *contract* entered into with the *Contractor* is non-exclusive and work included in this contract can only be performed upon receipt of a task order.
- d) Equipment to be used on site must comply with Medupi Maintenance User Requirements Specifications (240-97020108) latest revision.
- e) The *Contractor* shall complete history data for each notification executed.
- f) The *Contractor's* performance evaluation shall be done during meetings between the *Contractor* and the *Employer* on a monthly basis.
- g) Before any work start on site the *Contractor* is responsible to submit their Safety File to the *Employer* for review and acceptance.
- h) The *Contractor* shall carry out tasks as described in the scope of work on a normal day to day maintenance.
- i) A crew for day-to-day maintenance and emergency/standby work is required and must be priced in.
- j) Ad hoc crew to be available on as and when required basis (task order basis)
- k) Overtime will be worked as and when required according to Overtime Work Instruction (36-559) and will be invoiced separately.
- k) The *Contractor* should include the price list for day-to-day maintenance, overtimes and standby allowance (Give rates for normal overtime, weekends, holidays etc.).
- l) The *Contractor* will provide with the tender a quality management program in accordance with ISO 9001 or equivalent which will comply with Eskom quality management system.
- m) The *Contractor's* Site Manager to ensure that a weekly standby roster is always updated.
- n) The *Contractor* on standby shall report to relevant shift manager within 45 minutes after been called out.
- o) The *Contractor* will be required to contain spillages and clean up oil/grease spillages caused by the *Contractor's* personal and will be held liable for all costs involved.
- p) The *Contractor* shall, as far is reasonably possible, make use of local (Lephalale) manpower to execute the works.
- q) All works will be subject to anytime inspection from the *Employer*.
- r) The *Contractor* shall ensure that damaged plant labelling, including KKS labelling, (because of the *Contractor's* works execution) are replaced within a reasonable time period.
- s) The *Contractor* shall ensure the integrity of Plant labelling and that deficiency with regards to KKS labelling is reported immediately
- t) All staff brought onto site in connection with the SOW should be able to fully communicate in English.

### 1.2.5 On-site Support Services

The *Contractor* shall ensure the following:

- a) The *Contractor* shall be required to comply with Medupi Power Station standby procedure.
- b) Ensure that the required staff is always available on and as when required.
- c) Comply with Medupi Power Station Routine Work Management Processes.
- d) Provide any technical support relating to the plant maintenance services provided within this scope or where related expertise may be required for the continuous improvement of the plant.

## 1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
BOM	Bill of Material
BU	Business Unit
C&I	Control and Instrumentation
DCF	Data Capture Form
DHP	Dust Handling Plant
ISO	International Standards Organisation
KKS	Kraftwerk Kennzeichen System



KPI	Key Performance Indicator
NEC	New Engineering Contract
OEM	Original Equipment Manufacturer
PER	Pressure Equipment Regulations
PCLF	Planned Capability Loss Factor
PM	Plant Maintenance
QCP	Quality Control Plan
QMP	Quality Management Programme
RP	Responsible Person
SHEQ	Safety, Health, Environment, Quality
SANS	South African National Standards
SOW	Scope of Work
UCF	Unit Capability Factor
UCLF	Unplanned Capability Loss Factor

## 2 Management strategy and start up.

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

The *Contractor's* plan must be as per Contract conditions and *Employer's* requirements. The *Contractor* must note that the scope and timeliness will be provided by the *Employer*.

### 2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly	Medupi Power Station	<i>Employer</i> and <i>Contractor's</i> representatives
Overall contract progress and feedback	Monthly	Medupi Power Station	<i>Employer</i> and <i>Contractor's</i> representatives
Contractual meeting	Monthly	Medupi Power Station	<i>Employer</i> and <i>Contractor's</i> representatives
SHEQ	Monthly	Medupi Power Station	<i>Employer</i> and <i>Contractor's</i> representatives
Work management meetings.	Daily	Medupi Power Station	<i>Employer</i> and <i>Contractor's</i> representatives

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

#### 2.3.1 Management Reporting

- The *Contractor* shall provide reports on repeat failures to the *Employer's* Engineer for further analysis.
- The type of reports, level of detail and frequency of reporting will be mutually agreed by the *Employer* and the *Contractor* during the contract negotiations phase of this agreement. These may change from time to time on request by the *Employer*.
- The *Contractor* is to be represented at any ad-hoc meetings that may arise in order to address any production or safety related matters.

### 2.4 Provision of bonds and guarantees

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

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

## 2.5 Documentation control

All governance documents shall be registered and controlled using approved Eskom Document Management Systems (EDMS). Governance documents or technical documents as a minimum shall comply with the following:

- The document ownership must reside within the Business domain
- Document must be unique in its purpose, content and aim.
- The document must be uniquely identified.

## 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](mailto: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;

## 2.7 Contract change management

Refer to NEC3 TSC Core clause 6(Compensation events), in the event any change to the Contract needs to be managed.

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

The *Contractor* is required to keep record and submit proof of all the actuals, to be verified at the completion of the Payment Certificate and assessment, should the *Service Manager's* request to do so.

## 2.9 Insurance provided by the *Employer*

Below is information with regards to the Eskom Insurance Management Services, for in case the *Contractor* has any inquiry:

Names & Surname	Contact details	e-mails address
Mr Krishan Chaithoo	+27 11 800 4455	ChaithK@eskom.co.za

## 2.10 Training

The *Contractor* shall attend safety trainings and awareness provided by the *Employer* as and when required basis.

All training related to the scope, shall be provided by the *Contractor* - e.g., working at heights, laser alignment etc.

The *Contractor* shall train its employees on proper understanding of the plant and on the technical aspects of executing their work.

## 2.11 Design and supply of Equipment

Equipment supplied must always be in safe working order, irrespective whether the equipment is supplied by the *Employer* or *Contractor*. Regular maintenance must be done on all equipment used to execute the service required.

## 2.12 Things provided by the *Contractor*

### 2.12.1 Equipment

The *Contractor* shall provide the following equipment with required authorised operators on an as and when required basis:

- a) 50 Ton Mobile Crane
- b) 80 Ton Mobile Crane
- c) Tractor and Lowbed Trailer
- d) 10 Ton Forklift
- e) 20 Ton Forklift, diesel engine
- f) Any other equipment, tools, etc. as proposed by the *Contractor* and agreed by the *Employer*.

The *Contractor* will only provide the equipment for the duration as instructed by the *Employer*.

The *Contractor* shall ensure the above-mentioned equipment is readily available on site when required. The 90ton crane should be available on site within four days of the *Contractor* receiving notification or identifying the need thereof.

The *Employer* may (at the *Employer's* discretion) provide some equipment, tools, etc. to the *Contractor*, providing that the *Contractor* uses suitably

## 2.13 Management of work done by Task Order

- A Task Order starting with 45\* series number will be issued to the *Contractor* at the beginning of every month for the service.
- The *Contractor* must respond to the task order with the programme.
- The *Contractor* will be required to provide daily updates of the works as per agreed programme
- In the case of emergency repairs outside the SOW, different Task Order will be sent to the *Contractor* for the works. Respond to the issued Task Order must be dealt with as per secondary option X19 of the agreement.

### 3 Health and safety, the environment and quality assurance

#### 3.1 Health and safety risk management

All *Contractor* employees shall comply with the Medupi Maintenance Contracts User Requirement Specification, including non-use of cell phones in restricted areas, adherence to Eskom's life-saving rules, adherence to Generation Occurrence Management Procedure, No Smoking Policy, etc.

The *Contractor* shall ensure:

- All employees are medically, physical, and psychologically fit to perform the Works.
- Compliance with Eskom's SHE policy, procedures, standards, guidelines, specifications, and site regulations. Employees shall have a valid medical certificate of fitness specific to the work to be performed.
- Employees are informed of hazards identified in the risk assessment before commencement of Works. The Method Statement shall also be communicated to the employees on this work activity before commencement of Works.
- The emergency rescue plan shall also be communicated to personnel undertaking the Works.
- All safety and health related incidents around site or working areas and threats that pose a danger to one's life or health are immediately reported.
- Sufficient health and safety information as well as resources are made available.
- All employees undergo safety induction on-site.
- All power tools will be inspected as and when required.
- Prescribed PPE for the specified Works shall be always worn. The provision of PPE shall be the responsibility of the *Contractor*.
- Correct site drawings are obtained and communicated to the employees undertaking the Works.
- The Contractor shall comply with the health and safety requirements contained in Act No 85: Occupational Health and Safety Act & Regulations.
- The Contractor shall be required to do safety induction prior to start any work on site.
- Before any work start on site the Contractor is responsible to submit their Safety File to the Employer for review and acceptance. The Contractor's safety file must be approved before any work commence on site.

#### 3.2 Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in Medupi Power Station Environmental Requirements for Contracts and Suppliers Procedure.

The *Contractor* shall ensure:

- Appropriate measures shall be undertaken to minimise the generation of dust from work activities.
- All environmental incidents must be reported.
- The work area is kept clean, tidy, and free of waster/rubbish. Waste shall be disposed of in designated bins
- Adherence to Water Use License (WUL 27086983) and Regulation 704 of the National Water Act (Act 36 of 1998).
- Plant and machinery shall be equipped with drip trays. Oil refills for plant and machinery shall take. Place in designated areas

#### 3.3 Quality assurance requirements

The *Contractor* shall comply to the requirements of ISO 9001 Quality Management Systems

##### 3.3.1 Quality control

- a) The *Contractor* has to ensure that all contractor's measuring and testing equipment are calibrated in accordance with Medupi Power Station Mill Major Overhaul Scope of Work Specification (240-143499237) at all times and proof thereof must be readily available.

- b) The Contractor shall utilise the Employer's quality documentation management system and processes. The Contractor complies with the applicable quality standards and requirements relative to the required scope of service.
- c) All Quality References and Standards as stipulated in this document and SOW 240-143499237 will be adhered to.

### 3.3.2 Quality assurance

The *Contractor* shall provide a complete Quality Assurance plan in accordance with the requirements of ISO 9001: 2015 to the *Employer* for approval. This plan must ensure an integrated quality service as part of the contract. Execution of all quality related activities, including inspection and test plans compilation and execution and all quality related record keeping is part of the *Contractor's* scope of work.

The *Contractor* shall always ensure that workmanship is of a standard that is acceptable as the best practice of the particular trade involved and as stipulated in written standards of recognised organisations or institutions of the respective trades except as exceeded or qualified by the specifications. The *Employer* shall determine the acceptability of workmanship.

## 4 Procurement

### 4.1 People

#### 4.1.1 Minimum requirements of people employed

The *Contractor* shall utilise / provide skilled and suitably qualified staff as governed by Medupi Maintenance Contracts User Specification Requirements with current experience in the following:

- a) Quality Management Control and Assurance as per ISO Standards.
- b) Staff must meet minimum requirements of Eskom job descriptions, with additional requirements specified.
- c) Occupational Health and Safety Act 85/19 and (SHE) Standards.
- d) Procedure writing.
- e) Familiarisation and adherence of *Employer's* SHE goals and initiatives.

**Note:** All artisans and supervisors should be trained and authorised as Responsible Persons (RP) in terms of Plant Safety Regulations. This training will be provided by the Employer within 6 months of contract award date. Authorization of the persons as RPs will be through the Employer authorization committee within 6 months of theoretical training and thereafter RPs will be expected to undergo re-authorization every two years.

The Contractor shall submit a recruitment report with evidence of verification of qualifications of all its Employees.

#### 4.1.2 Skills required

Pricelist: Manpower Requirements; shows a list of required manpower and estimate hours per month for the period of 60 months. The contractor is to provide the applicable rates with the tender prior to negotiations.

The *Contractor* is required to have the following skilled personnel available to respond to Medupi power Station daily:

- a) Site Manager- This function will include the quality control (QC) and supervision functions.
- b) Supervisor- This function manages the day-to-day activity supervision functions.
- c) Secretary Data capture- Must meet minimum requirements of Grade 12 plus Certificate in business administration, Drivers Licence, and with additional requirements specified.
- d) Safety Officer- This function will include Safety, Health, Environment and Quality.
- e) Planner- Must be proficient in both Primavera and Microsoft Project. Integration of programs with other contractors will be a core function.
- f) Quality Inspector- Must meet minimum requirements of Certificate in Quality Management/ Assurance and a minimum of 2 years works experience.
- g) Artisans- This function includes Mechanical Fitters, Welder, Boiler Maker and Rigger and pipe fitter.
- h) Mechanical Technician- • National Diploma or other equivalent Tertiary Engineering Qualification in Mechanical Engineering.
- i) Semi-Skilled- Must meet minimum requirements of Grade 12, Drivers Licence, and with additional requirements specified.
- j) Spares coordinator- Must meet minimum requirements of Grade 12, Driver licence (code 8), Store keeping certificate, certified to operate forklifts, overhead cranes and lifts, with additional requirements specified.
- k) Mobile crane operator- Must have a code 14 license, forklift license, cherry picker, telescopic handler (telehandler) and mobile crane license.
- l) Any other resources, crafts or trades deemed suitable by the Contractor and accepted by the Employer.
- m) The Contractor however remains accountable for ensuring that Contractor's employees and resources are capable of delivering quality services and materials to the satisfaction of the Employer.
- n) An organogram of the proposed structure and personal which the contractor deems required, must be shared, discussed and agreed upon between the Employer and the Contractor.

#### 4.1.3 BBBEE and preferencing scheme

The *Employer* requires the *Contractor* to achieve a Broad Based Black Economic Empowerment Recognition Level (B-BBEE Recognition Level) of 4 (the "Required B-BBEE Recognition Level") within six months from

date of Contract Award in terms of Eskom's Directive "Implementation of Eskom's Black Economic Empowerment Strategy " and Standard "Application of the Broad Based Black Economic Empowerment Codes of Good Practice within Eskom (32-1034)".

Eskom's policy is to maximise purchases from Black or Black Empowering Enterprises (BEE's) whether Black Woman-owned, small or Large Black or Black empowering suppliers. The purpose is to promote entrepreneurship in black communities and give black business access to the mainstream of business opportunity.

#### 4.1.4 Social Development Localization and Industrialization (SDL&I)

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the SD&L requirements in accordance with and as provided for in the *Contractor's* SD&L Compliance Schedule. The *Contractor* to provide proposed skill development target on the table below:

Skills Type	Eskom Target	Entry Level	Output	Tenderers Proposal
C&I Artisans	3	N3/Grade 12 or Equivalent	Trade Test	
Mechanical Fitter	3	N3/Grade 12 or Equivalent	Trade Test	
Clerk	5	N3/Grade 12 or Equivalent	Diploma in Business Management	
Rigger	5	N3/Grade 12 or Equivalent	Trade Test	
Class B Welder	5	N3/Grade 12 or Equivalent	Trade Test	
Boilermakers	5	N3/Grade 12 or Equivalent	Trade Test	

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated SD&L criteria. The *Contractor* shall submit monthly/quarterly SD&L report to the *Service Manager*. The SD&L report template will be provided to the *Contractor* by *Service Manager*.

The *Contractor's* failure to comply with his SD&L obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract. The *Contractor* shall submit a bond equivalent to 2.5% of the Contract Value and shall only be released to the *Contractor* upon fulfilment of all SDL&I Obligations.

#### CSI:

- Contractor is expected to make a minimum of 2% of the contract value as a commitment on CSI. CSI projects to be implemented under this contract will be discussed and agreed with the Service Manager.

## 4.2 Subcontracting

### 4.2.1 Preferred subcontractors

Eskom will do business with the suppliers that are prepared to sub-contract 30% of the contract value to EME or QSE's that are at least 51% Black Owned from rural/underdeveloped/township.

SDL&I 30% must include transportation of Contractors employees from home to site in accordance with regulations to prioritize local transport businesses. Contractors must ensure that local taxis comply with workers Transport permit and local by-laws

### 4.2.2 Subcontract documentation, and assessment of subcontract tenders



- a) The *Contractor* submits the proposed contract data for each subcontracting for acceptance to the *Project Manager*.
- b) The *Contractor* prepares s subcontracting document as according to the NEC Contract.
- c) The *Contractor* must inform the *Project Manager* when intending to subcontract some of the works from the contract scope.
- d) The *Contractor* takes note that their Subcontractors Safety Files will be accepted by the *Contractor* Safety Manager before it will be handed to the SHE practitioner/Officers for verification of compliance before any work commence. Proof of acceptance by the Contractor Safety Manager needs to be in the Safety file when handed over to SHE Practitioners for verification.
- e) The *Contractor* only employs qualified sub-contractors

#### 4.2.3 Limitations on subcontracting

A supplier awarded a contract may not subcontract more than 25% of the value of the contract to any other entity that does not have an equal or higher B-BBEE status level of a contributor than the supplier concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract.

Below are subcontracting opportunities,

- Safety PPE
- Medical Clearance
- LDV's
- HWH transportation of employees
- resources
- Tools and equipment
- Consumables

### 4.3 Plant and Materials

#### 4.3.1 Specifications

- a) The Contractor shall be required to provide tools required for fault finding, inspections, repairs, maintaining, replacing, and fitting as well as commissioning.
- b) Any damage caused to existing spares is repaired by the Contractor at his own cost prior to take over.
- c) The Contractor shall be required to provide all relevant hand tools for the trade.

#### 4.3.2 Contractor's procurement of Plant and Materials

Replacement materials/components will be kept as the *Employer's* Inventory/stock and issued as stock items when required. The *Contractor* must inform the *Employer* immediately of any constraints experienced during the procurement process of plant and materials whenever required to procure any materials.

#### 4.3.3 Plant & Materials provided "free issue" by the *Employer*

Both parties shall agree if there is any Plant and Material that the *Contractor* require to execute work. All other Plant and Materials are to be provided by the *Contractor*.

## 5 Working on the Affected Property

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

The Entry to site is only approved once the following minimum requirements are adhered to:

- 1) The *Contractors* Safety file is to be approved by the Employer's Safety department.
- 2) Site-specific induction is to be done by all personnel.
- 3) Acceptance of this tender is subject to the condition that both the contracting company's management and its employees will provide Eskom with a clear criminal record not older than thirty (30) days from a reputable screening company. If the principal contractor appoints a subcontractor, the same provisions and measures will apply to the subcontractor. Acceptance of the tender is also subject to the condition that the contractor will implement all such security measures for the safe performance of the work as required in the scope of the contract. Should the awarded contractor fail to comply with the criminal record check process requirements and/or critical staff identified as part of the contract, failing the screening requirements, the Employer may terminate the contract

### 5.2 People restrictions, hours of work, conduct and records

All work will be coordinated by the *Employer*. Working times can be subject to change, the *Employer* will inform the *Contractor* well in advance.

The *Contractor* will align his operating shifts to that of the *Employer's* shift cycle.

- 1) All Timesheets are to be kept for records purposes i.e., man-hours worked safely etc.
- 2) Overtime to be approved by the Service Manager
- 3) Daily time sheet must always be kept up to date of normal and overtime worked.
- 4) All overtime worked must comply with Eskom rest period requirements

### 5.3 Health and safety facilities on the Affected Property

There is a medical station on site and a fire and rescue service for assistance with serious incidents and treatment of all serious injuries during normal working hours. Emergency services are available during normal working hours by dialling this phone number 078 100 5614/ 014 762 6911 (fire and rescue) and also available after hours or else contacting the Electrical Operating Desk (EOD) at 014 762 6491. However, the *Contractor* is expected to handle all minor incidents in-house by providing a first aider and a first aid kit. The *Contractor* must familiarise themselves with the emergency procedure which will be provided by the *Employer*.

### 5.4 Environmental controls, fauna & flora

The *Contractor* shall comply with the environmental procedure and policies applicable to Medupi Power Station. The *Contractor* shall prepare an environmental management plan relating to their activities that will be carried out. The environmental management plan shall be based on, amongst others, Eskom Medupi Power Station's OEMP and any other applicable environmental legislation. The environmental management plan must include all the aspects and impacts relating to the activity and address the principle of continual improvement.

Eskom Medupi Power Station shall issue non-conformances where there are deviations from Eskom Medupi Power Station Procedures and any other environmental requirements. Method statements shall be submitted for approval by the Eskom Medupi Power Station Senior Environmental Advisor, prior to commencement of and activity. Non-conformance and incident reporting and investigations shall be done by the partner, such reports must include but not limited to the following information:

- The cause of the non-conformance/incident
- The proposed actions to correct and prevent recurrence

### 5.5 Cooperating with and obtaining acceptance of Others

Proper co-ordination and work planning must be done when working in any area where others are performing work or activities. Interfacing may be required with the *Contractors*.

## 5.6 Records of *Contractor's* Equipment

1. The *Contractor* to declare all equipment and tools via a pre-set-up list at the main entrance, where removal permit will be issued by Security personnel.
2. The *Contractor* needs to have a list of inventories of their equipment on site.
3. Proof of site entrance needs to be provided before equipment can be removed from site.
4. The *Contractor* shall ensure that there is a process in place to manage his equipment and tools. The statutory inspections and testing shall be done according to the requirements of the law.
5. The equipment shall be inspected as per the requirements by the law. The small equipment and tools that are used daily by the cleaners shall be marked with unique codes and signed in and out by the employee using them.

## 5.7 Equipment provided by the *Employer*

Equipment provided by the *Employer* is to be signed out on the tools register and returned in a serviceable condition.

## 5.8 Site services and facilities

### 5.8.1 Provided by the *Employer*

Sanitary services, water, compressed air, and electricity shall be provided by Eskom at fixed points on the plant. There is also a tuck-shop on site, but both only operate on weekdays and are for the *Contractor's* own cost

### 5.8.2 Provided by the *Contractor*

The *Contractor* is to supply all the personal protective equipment, transport, accommodation, tools, equipment, and consumables to perform all the required tasks on site.

## 5.9 Control of noise, dust, water and waste

Employees to wear safety ear protection when working at the plant where the noise level is more than 80 db.

## 5.10 Hook ups to existing works

Hooking up on heights is a non-negotiable lifesaving rule of Eskom, Medupi Power Station applies Zero Tolerance to non-compliance of the rule or any other lifesaving rule. The same disciplinary process and procedure will be followed when any of the lifesaving rules have been breached.

## 5.11 Tests and inspections

### 5.11.1 Description of tests and inspections

The test and inspection to be carried out by the *Contractor*, the *Employer* must be informed in advanced.

### 5.11.2 Materials facilities and samples for tests and inspections

The materials facilities and samples for test and inspection to be carried out by the *Contractor*, the *Employer* and others will be determined and communicated by the *Employer* when the Contract commences.

## **6 List of drawings**

### **6.1 Drawing issued by the Employer**