



NEC3 Term Service Contract (TSC3)

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

and

(Reg No.....)

for **Draft Tube waterways coating & repairs, UNITS 1- 4 AT
INGULA PUMPED STORAGE SCHEME**

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ENQUIRY NUMBER: WCPK1014JP

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

Draft Tube waterways coating & repairs, UNITS 1 -4 (5 YEAR CONTRACT) AT INGULA PUMPED STORAGE SCHEME

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	
	The price will be requested for the most successful tenders via the e-auction process. Suitable tenders will be given the link for bidding at the price evaluation phase of the tender	

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 company name & address)		
Name & signature of witness	Signature:..... Print Name::.....	Date	.....
Tenderer's CIDB registration number:	Not Applicable		

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)	Avi Singh		
Capacity	General Manager – Peaking Power Stations		
for the Employer	Eskom Holdings SOC Ltd c/o 15 Pasita Street Rosenpark 7530		
Name & signature of witness	Marna Bester Procurement Manager	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	Covid-19	Manager risk by both parties per COVID regulations
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 <i>Employer</i>
Signature	.....	.....
Name	.....	Avi Singh
Capacity	.....	General Manager – Peaking Power Stations
On behalf of	.....	Eskom Holdings SOC Ltd c/o 15 Pasita Street Rosenpark 7530
Name & signature of witness	..... .....	..... Marna Bester Procurement Manager

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option: dispute resolution Option and secondary Options	A: Priced contract with price list W1: Dispute resolution procedure X1: Price adjustment for inflation X2: Changes in the law X17 Low service damages X18 Limitation of liability X19: Task Order X20 Key performance indicators Z: <i>Additional conditions of contract</i>
	of the NEC3 Term Service Contract April 2013. (TSC3) Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za	
10.1	The <i>Employer</i> is (name): Address	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated of the company laws of the Republic of South Africa Registered office at Megawatt Park, Maxwell Drive, Sandton,
		Ingula Pumped Storage Scheme
10.1	The <i>Service Manager</i> is (name):	Mr Len Slabbert

	Address	Off the R103 on to the D48, De Beers Pass Road, Besters Ladysmith, 3370
	Tel	036 342 3023
	e-mail	slabbelj@eskom.co.za
11.2(2)	The Affected Property is	Ingula Power Station
11.2(13)	The service is	Draft Tube waterways coating & repairs, UNITS 1 -4
11.2(14)	The following matters will be included in the Risk Register	Termination by <i>Employer</i> due to unavailability of budget of forthcoming Financial Year(s)
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	1 working day
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	Not applicable
3	Time	
30.1	The <i>starting date</i> is.	15 April 2022 or asap
30.1	The <i>service period</i> is	5 years
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	After work has been performed as per <i>Employer's</i> instruction completion of task order for ad-hoc service
51.1	The <i>currency of this contract</i> is the	South African Rand

51.2	The period within which payments are made is	Payment Terms: 14 days (L1-2 Suppliers) or 30 days after receipt of tax invoice with signed off assessment certificate
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rends and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption “Money Rates” in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
7	Use of Equipment Plant and Materials	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	
83.1	The <i>Contractor</i> provides the insurances stated in the Insurance Table	Refer table below
83.2	The insurances provide cover for events which are at	Refer table below

	the <i>Contractor's</i> risk from the <i>starting date</i> until the end of the <i>service period</i> or a termination certificate has been issued	
	INSURANCE TABLE	
	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 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 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 where covered by the <i>Employer's</i> insurance.
	The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> The amount required by the applicable law.
	Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law
86	Insurances by the <i>Employer</i>	The <i>Employer</i> provides the insurances stated in the Insurance Table below. The <i>Contractor</i> will be liable for the applicable deductible, if any
	INSURANCE TABLE	
	Insurance against	Minimum amount of cover or minimum limit of indemnity
	Assets All Risk	As per the insurance policy document.
	Project insurance	As per the insurance policy document.
	General and Public Liability	As per the insurance policy document.
	Environmental Liability	As per the insurance policy document.
	Transport (Marine)	As per the insurance policy document.

	Motor Fleet and Mobile Plant	As per the insurance policy document.
	Terrorism	As per the insurance policy document.
	Cyber Liability	As per the insurance policy document.
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	Not applicable
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	Arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Cape Town, South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	
	- if the arbitration procedure does not state who selects an arbitrator, is	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	The <i>base date</i> for indices is	[•].

The proportions used to calculate the Price Adjustment Factor are: CPA formulae to be provided by the tenderer/prior to award		Proportion 0. 0. 0. 0. 0. 0.15 1.00	linked to index for [•] [•] [•] [•] [•] non-adjustable	Index prepared by [•] [•] [•] [•] [•] Fixed portion
Prices are fixed and firm for the first 12 months from the contract <i>start date</i>. Price adjustments will only be applied on the anniversary of the contract (after 12 months from the contract <i>start date</i>).				
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.		
X17	Low service damages			
X17.1	The <i>service level table</i> is in	R500 penalty per week of late acceptance of SHE file from contract start date. R1000 penalty per day for not arriving on time as per agreed outage schedules		
X18	Limitation of liability			
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)		
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event		
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of - the total of the Prices at the Contract Date and - the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles		
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than	the total of the Prices other than for the additional excluded matters.		

	the excluded matters, is limited to	The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	24months after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	3 working days of receiving the Task Order
X20	Key Performance Indicators (not used when Option X12 applies)	
X20.1	The <i>incentive schedule</i> for Key Performance Indicators is in	No <i>incentive schedule</i> to this Contract Data
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	Feedback against KPI's & Quality Control Plan daily once work has started on site.
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.
Z1	Cession delegation and assignment	
	Z1.1 The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i>. Z1.2 Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> 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 <i>Contractor</i> 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 <i>Employer</i> for the performance of this contract. Z2.2 Unless already notified to the <i>Employer</i>, the persons or organisations notify the <i>Service Manager</i> 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 ir

and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his SubContractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his SubContractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

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

Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer’s* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer’s* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

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

Z9 Employer’s limitation of liability

Z9.1 The *Employer’s* liability to the *Contractor* for the *Contractor’s* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9.2 The *Contractor’s* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer’s* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

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

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

Z11 Ethics

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

Affected Party

means, as the context requires, any party, irrespective of whether it is the *Contractor*

	or a third party, such party's employees, agents, or SubContractors or SubContractor's employees, or any one or more of all of these parties' relatives or friends
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Contractor</i> , 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

- Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof
- Z 11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service 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 Service for this reason
- Z 11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.
- Z 11.4 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

Annexure A: Insurance provided by the *Employer*

These notes are provided as guidance to tendering Contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering *Contractors* and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering *Contractors* should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering *Contractor* or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:

http://www.eskom.co.za/live/content.php?Item_ID=9248

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering *Contractor*:

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

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name:	

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

	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	
11.2(19)	The tendered total of the Prices is	R

PART 2: PRICING DATA

TSC3 Option B

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	3

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		- the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and - where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

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*

PRICING WILL FOLLOW THE E-AUCTION PROCESS AND NOT REQUIRED TO BE SUBMITTED WITH THE TENDER

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	<i>Employer's Service Information</i>	30
	Total number of pages	31

C3.1: **EMPLOYER'S SERVICE INFORMATION**

C3.1. **Works Information**

C3.2. **Specifications**

The *Contractor* adheres to the following in providing the *works*:

- a) The *Employer's* safety rules
- b) The *Employer's* codes of practice
- c) All the documents stated in this document.

C3.3. **Scope of work**

1. **Background Information**

The draft tubes at Ingula Power Station consists of four (4), steel lined and concrete encased, tunnels. The length of the draft tubes and draft tube extensions are 120m with an internal diameter of 4.7m.

To gain access into the Draft Tubes, entrance is from either the Tailrace Tunnel or the Machine Hall. Access via the Machine Hall is through the maintenance opening located at the collar of the Draft Tubes, which is accessible through the MIV pit and then access through the stairs into the Draft Tube cone.

In accordance with the OEM manual, an inspection is conducted on an 18 monthly period to observe any visible defects. The inspections are conducted in accordance with the 'Work Package – Draft Tube Inspection' document.

Defects found need to be assessed and repaired

2. **Description of Service/ product that needs to be provided and if necessary, add a spreadsheet.**

From inspections conducted by employees internal to Eskom in Sep 2020, the following minor defects were discovered:

- Corrosion stains
- Minor blistering
- Corrosion barnacles
- Corrosion patches

The above area of defects did not exceed 10m².

3. **Scope of work/supply**

The *Contractor* procures all plant, materials and equipment for the *works*.

The scope of work for localised repairs to the epoxy coating of the draft tube of unit 1, 2, 3 & 4 is as follows during outages:

- Rope access for inspection and repair to the inclined draft tube section.
- Confined space certification required.
- Rope access/absailers to provide confined space rescue and to assist with safe access into as well as inside the draft tube.

- Identify and mark out repair areas.
- Hempel repair coat system is to be applied by hand application and the combined total area of repair is approximately 10m² but **this could increase due to worsening of defects over time since previous inspections.**
- **Allowance has been made for 400m²**
- **Measurement and payment will be done based on actual m²**
- Degrease and freshwater wash surfaces.
- Mechanically prepare the surfaces for the patch repair.
- Apply 2 coats of Hempel Hempadur Multi Strength GF 35870 to a final DFT of 350 µm, or similar approved, as per product specification.
- Portions of the repair/inspection could be deemed inaccessible and could require scaffolding. Scaffolding will be supplied in separate contract.
- QC Inspection by certified coating inspector.
- Final DFT and holiday test
- Hand- over of work pack

The Contractor must provide a quality control plan and method statement for the work. The contractor to provide adequate lighting inside the draft tubes to perform the work

Storage of Material, Tools & Equipment

The *Contractor* to store the Material, Tools & equipment in a safe area on the *Employer's* plant (Ingula Pumped Storage Scheme, Ladysmith, Kwa-Zulu Natal, South Africa) during the outage and remove it after the outage again until the next requirement

C3.4. Drawings

The drawings provided by the *Employer* are for reference and pricing only. Nothing in the drawings lessens the *Contractor* obligations as detailed in any other documents forming part of the Contract. These drawings will only be issued upon a non-disclosure agreement signed by the *Contractor*.

Drawing number	Revision	Title
0.83/24651 Sheet 5	3	Draft Tubes & Tailrace Tunnel
0.83/31400 Sheet 1-3	H	Draft Tube

C3.5. Specifications

The *Contractor* adheres to the following in providing the services to be supplied:

Product Specification

All areas to be coated is to be mechanically prepared to standard ST2.

Apply 2 coats of Hempel Hempadur multi strength GF 35870 to final DFT of 350 µm.

Reference Number	Title	Date or revision	Tick if publicly available
240-53665024	Engineering Quality Manual	1	*
240-75655504	Corrosion Protection Standard For New Indoor And Outdoor Eskom Equipment, Components, Materials And Structures Manufactured From Steel Standard	1	*
ESKASAAA3	Eskom approval of personnel performing quality related special processes on all Eskom plant.	1	*
SABS - ISO 9001:2015	Requirements for Quality management systems.	2015	√
OHSA No. 85 of 1993	Occupational Health and Safety Act.	1993 as amended	√

*Available on request.

The revisions and amendments of the Specification documents that apply are the latest revisions and amendments in force at the time of the Contract authorisation. Nothing in the Specification documents lessens the *Contractor* obligations as detailed in any other documents forming part of the Contract.

Building works

Reference number	Title / Description	Tick if Publicly available
SANS Series 10400	The application of the National Building Regulations	✓

Civil engineering and structural works

Reference number	Title / Description	Tick if Publicly available
NEMA 88	National Environmental Management Act of 1988	✓
GGR 0992	Plant safety regulation	✓
SANS 1200 Series	Standardized Specifications for Civil Engineering	✓
SANS Series 10400	The application of the National Building Regulations	✓

OTHER

Reference number	Title	Tick if publicly available
240-105658000	Supplier Quality Management: Specification	*
ISO 9001:2015	Requirements for Quality Management Systems.	✓
OHASA (1993)	Occupational Health and Safety Act of South Africa, Act 85 of 1993	✓
	National Environmental Management Act of 1988	✓
32-136	Contractor Health and Safety Requirements	*
32-245	Eskom Waste Management Standard	*
36-681	Generation Plant Safety Regulations	*
240-62196227	Eskom Life-saving Rules Directive 23-421	*

240-54179170	Classification and designation of technical documentation	*
240-86973501	ESKOM General documentation standard	*
32-644 Rv1	ESKOM Documentation Management Standard	*
167A/49	Drawing and documentation standard for <i>Contractors</i>	*
167A/49	Documentation Process Procedure	*
32-136	<i>Contractor</i> Health and Safety Requirements	*

C3.6. Constraints on how the *Contractor* Provide the works

C3.6.1 Acceptance reporting

The *Contractor* performs quality assurance and reporting.

- a) The *Contractor* records all relevant dimensions and features of the areas done on a drawing and submits these recordings to the *Employer* for acceptance within one day of completion of the work per unit outage.
- b) The *Contractor* inspects the surface finish and record the condition on the Quality Assurance verification sheet
- c) The *Contractor* does reference according to the job number.
- d).?

C3.6.2 Visual inspections

- a) The *Contractor* measures and submits the areas to be done to the *Employer* for acceptance within one (1) calendar day after execution of these measurements and prior to any coating preparations.
- b) The *Contractor* inspects the surface area to be done and after area cleaning and preparation and prior to applying the coatings and then performs visual inspections during the coating process
- c) The *Contractor* performs visual inspections under good lighting conditions during the process. No electrical power available in the Draft Tubes/ Water ways.

- d) Contractor Inspection to hold recognised coating inspection certification (example NACE Level 1 or Level 2 Coating Inspector certification or SAIW Painting Inspector or BGAS-CSWIP Site Coatings Inspector)

C3.6.3 Rectification of defects

- a) The *Contractor* repairs all defects.
- b) The *Contractor* repeats the preparation and coating repair process in the event of surface cracks, pinholes or porosity. No surface cracks or pinholes are allowed.

C3.6.4 Final inspections

- a) The *Contractor* ensures all surface finishes as per the application specifications
- b) The *Contractor* records all measurements and the measurements may be witnessed by the *Employer*.
- c) All recorded measurements are submitted to the *Employer* within one (1) calendar days of being performed for acceptance.
- d) Final inspections to be completed by certified coating inspector (See C3.6.2 d)

C3.6.5 Dispatch, delivery and offloading and storage

- a) The *Contractor* ensures that all material, tools & equipment are transported and delivered to the *Employer* (Ingula Pumped Storage Scheme, Ingula, Kwa-Zulu Natal, South Africa).
- b) The *Contractor* to list material, tools & equipment for declaration at Eskom Security on arrival to again get a removal permit on completion of outage
- c) Materials to be properly packaged to prevent damage or deterioration and to be protected as per Safety Data Sheets during transportation, handling and storage.

C3.6.6 Quality management

- a) The *Contractor* submits a quality control plan (QCP) to the *Employer* for acceptance as part of the tender returnable documents. This QCP include inspection, hold and witness points.
- b) The *Contractor* submits the final QCP to the *Employer* for acceptance within weeks after contract award.

C3.6.7 Safety management

- a) The *Contractor* complies with the Occupational Health and Safety Act. (OHSA No. 85 of 1993)
- b) The *Contractor* takes every precaution to ensure safety and to protect the *works* and temporary *works*.
- c) The *Contractor* is responsible for the safety and security of his personnel, materials on site and the *works* at all times.
- d) The *Contractor* adheres to the safety regulations pertaining to the *Employer's* Power Station (Ingula Pumped Storage Scheme).
- e) **The Permit to Work (PTW) system of Eskom will be used for these high risk activities. A Responsible Person (RP) will be supplied by the Employer and time to be allowed for to review the Risk Assessments, PTW application, Workers Register completion, scaffolding erection by Others at the positions as indicated by the Contractor.**
- f) The *Contractor* provides all the required safety and personal protective equipment to his staff for the duration of the contract.
- g) Only diesel driven vehicles are allowed underground.

C3.6.8 Environmental management

- a) The *Employer's* Power Station (Ingula Pumped Storage Scheme) is situated in an environmentally sensitive area.
- b) The *Contractor* acquaints himself with all statutory and local environment regulations and adheres to these without exception.
- c) The *Contractor* complies with the Hazardous Chemical Regulations when using any hazardous chemicals, as well as complying with the requirements of the National Environmental Management Act of 1988.

C3.6.9 Security

General access to the *Employer's* Power Station (Ingula Pumped Storage Scheme, Ladysmith, Kwa-Zulu Natal, South Africa) is controlled and it is mandatory that the *Contractor* adhere to all security regulations in force during the period of the contract. Security clearance by SAPS is a requirement per person as Ingula is deemed to be a National Key Point.

C3.6.10 Other construction activities

The *Contractor* notes that there may be other work, taking place during the period when he/she is providing the *works* to the *Employer's* Site and liaises with the other *Contractors* as well as the *Employer* in this regard.

C3.6.11 Title to site materials

The *Contractor* has no title to plant and/or materials resulting from him/her carrying out the *works*.

C3.6.12 Documentation

Standard forms to be used by the *Contractor* in the administration of the contract, for example early warning and compensation event notifications.

C3.6.13 Pre-implementation documentation

The *Contractor* submits the following final documentation to the *Employer* for acceptance (within two weeks of contract award):

- a) Testing procedure
- b) Quality control plans
- c) Check sheets

The *Contractor* notes the following:

- a) Metric sizes, as specified by the International Standards Organization and agreed to by the South African Metrication Boards, are used.
- b) SI units are used on drawings, pamphlets, calculations and documents.

C3.6.14 Post-implementation documentation

The *Contractor* submits one hardcopy and one electronic version of all documentation described below on take-over of the *works* to the *Employer* for acceptance within five (5) calendar days of being performed.

- a) Detailed material certificate of the materials used to coat & repair
- b) A drawing and dimensional verification sheet indicating all relevant final areas done

- c) A completed quality control plan.
- d) A complete information sheet

C3.6.15 Completion

Completion is when the following has been done by completion date:

- The *Contractor* has done everything required to provide the *works*.
- The *Contractor* has delivered the *works* and the *works* is accepted by the *Employer*.
- The *Contractor* has provided all as-built documentation and is accepted by the *Employer*.
- The *Contractor* submitted all other documentation as required to the *Employer* for acceptance.

C3.7. Requirements for the Program

- a) The *Contractor* submits a Gantt chart program, including quality control inspection holding points, detailing how the *works* is executed with a typical timeline included to the *Employer* for acceptance as part of the tender returnable documents.
- b) The *Contractor* submits the finalized program/ quality control plan within two weeks after contract award.
- c) The program indicates the start date, completion date and duration of each activity.
- d) The *Contractor* indicates the following on his program submitted to the *Employer* for acceptance:
 - The time required from notification of work to obtaining material.
 - SHE File submission, review and sign off and
 - Security Clearance
 - Site establishment
 - i. Induction
 - ii. Security access
 - Delivery to the *Employer's* Site (Ingula Pumped Storage Scheme, Ladysmith, Kwa-Zulu Natal, South Africa)
 - PTW preparation
 - Scaffolding requirements and erection
 - Area size determination and reporting
 - Employer instruction
 - Cleaning and preparation.
 - Application of coatings, curing
 - Access control to the Draft Tube Area
 - Inspection and reporting.
 - Final inspection of the *works*.
 - Dismantling of scaffolding
 - PTW clearance
 - Statutory and other non-working days included in the contract period and occurring just after the contract period.
 - The work is outage related and overtime and weekend work to be allowed for.
 - Ministerial Determination to be applied for by the Contractor to exceed the allowed overtime hours i.e. BASIC CONDITIONS OF EMPLOYMENT ACT, NO 75 OF 1997

C3.8. Services and Other Things Provided By the *Employer*

The *Employer* provides the following to the *Contractor*:

C3.8.1 Ablutions

C3.8.1 Crane

A crane is available in the *Employer's* power station machine hall. The *Contractor* ensures that all necessary arrangements and preparations are made for the use of this crane.

C3.8.2 Area for site establishment and storage

The *Employer* indicates a storage yard to the *Contractor*. The area allocated and where work preparation will take place have high noise levels i.e > 85 Db on a continuous basis.

All other services and things needed to provide the *works*, is supplied by the *Contractor*.

Management strategy and start up.

The Contractor's plan for the service

A bar chart type programme for the process must be submitted at the start of this contract for the employer's representative approval, no maintenance, inspection or repair work can start without the acceptance of this programme.

- The Contractor must submit with his tender details of the Quality Data package which will be issued following inspection, i.e. checklists, inspection proformas and test certificates

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:
compensation events	As need arises	Task order	Employer and Contractor
Overall contract progress and feedback	Weekly	Contractors site or MS TEAMS	Employer, Contractor and Contract Service manager
Contract Handover	On Commencement date of the contractor	Employer's site	Employer, Contractor and Contract Service manager
Repairs and test	Quality Control Plan Key Dates during completion of repairs and test	Contractor's site	Employer, Contractor and Contract Service manager

Meeting will be held pre and post outages involving bearing work to evaluate the services.

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.

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.

Contractor's management, supervision and key people

- The contractor is not allowed to do any maintenance, inspection or repair work before the employer's representative has issued the relevant working permit. The contractor must provide his own transport and accommodation for personnel prices to be included in the rates as per the price list.

- The Ingula Pumped Storage Scheme “safety guidelines for contractors” agreement must be adhered to. The contractor provides his own personal protective equipment necessary to perform the works. The daily removal of rubble and excess materials is compulsory.

The Contractor provides an organogram of the proposed company structure with the tender showing the number of people, all relevant designations and applicable qualifications

Documentation control

Quality Assurance QCP to be kept on file and communicated electronically to the Employer & Service Manager. After completion of service on any equipment a certificate has to be issued certifying test done.

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:

Eskom Holdings SOC Limited; and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;
- The Purchase Order Number (without this the invoice will bear no value)
- *Contractor*’s VAT registration number;
- The *Employer*’s VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT; (add other as required)

The Employer has now introduced an online system for all payments made.

All invoices must be submitted electronically to:

invoiceseskomlocal@eskom.co.za, refer to Annexure A in this regard

Contract change management

The Contractor must inform the employer’s representative of all new spare parts or components necessary in repairing the bearings. The reason is that the employer, from time to time, could free issue spares that are available in the Ingula Pumped Storage Scheme stores

- Free issue spares as and when available. To be advised

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

The Contractor to provide adequate proof of incurred expenses should a compensation event arise.

Insurance provided by the *Employer*

As indicated in document C1.2 TSC3 Contract Data, Core Clause 86.1.

Training workshops and technology transfer

Not applicable

Design and supply of Equipment

If the contractor is changing the specifications, the drawings and designs of any changes must be made available to the employer.

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

Equipment

Not applicable

Information and other things

After repairs, certificate to be provided.

Management of work done by Task Order

A task order will be used for repairs on the bearings.

Health and safety, the environment and quality assurance

Health and safety risk management

The *Contractor* shall comply with the South African Occupational Health and Safety Act No. 85 of 1993 and regulations, Eskom Safety, Health, Environment and Quality (SHEQ) Policy 32-727, National Building Regulations as well as SANS 10400 for all works. Furthermore, the *Contractor* shall comply with any additional current statutory requirements of any relevant Government Departments regarding health and safety and environmental health.

Ingula OHS Specification, applicable procedures, policies, guidelines and standards which will be used as Eskom's minimum requirements for Health and Safety will be provided.

The *Contractor* shall comply with the requirements for COVID-19 as per Government Directive from Department of Employment and Labour (DEL); Consolidate COVID-19 Direction on Health and Safety Measures in Workplaces issued by Minister in terms of Regulation 4(10) of the National Disaster Regulation.

Only the latest version/ revision of the applicable legislation, acts and regulations shall be deemed to be accepted at the Ingula Pumped Storage Scheme. Not limited to the following below legislation, acts and regulations are complied with:

- Compensation for Occupational Injuries and Diseases Act 130 of 1993
- National Water Act 36 of 1998
- Occupational Health and Safety Act and Regulations (85 of 1993)
- National Environmental Management Act 107 of 1998
- Applicable South African National Standards (SANS)
- National Road Traffic Act 93 of 1996
- Basic Conditions of Employment Act 75 of 1997
- National Veld and Forest Fire Act and Regulations 101 of 1998
- Environmental Conservation Act and Regulations 73 of 1989
- National Environmental Management: Waste Act; No 59 of 2008

- National Water Act: Act No: 36 of 1998

The Contractor shall establish and enforce rules to ensure the health and safety of his own employees and those of its Subcontractors so that high standards of personnel health and safety are achieved and maintained. The Contractor shall exercise and enforce all necessary care and measures to preclude exposure of personnel, labour and nearby residents (if any) to potential health hazards and environmental pollutants.

The Contractor shall ensure that all persons which are employed and or deployed to work on site undergo police clearance and are certified to have no criminal records. This shall be done prior to them being allowed or given access to start work on site.

The *Contractor* is required to compile an OHS File to comply with the *Employer's* specification, which includes but not limited to the following:

- Occupational Health and Safety Plan (OHS Plan)
- OHS organization within the Company-Responsibility & Accountability
- OHS Incident management Procedure (32-95)
- Planning of conduct of work activities including planning for changes and emergency work (Operational Plan)
- Management of PPE- Personal Protective Equipment (Procedure with the matrix)
- Emergency planning and fire risk management
- Vehicle and driver behaviour safety (Competency, Traffic Management, etc.)
- Sub-Contractor or supplier selection and management
- Design and specifications (Drawings)
- Key personnel competency, training, appointments
- Communication and awareness Plan
- Behavioural Based Safety Procedure
- *Employer's* Baseline SHE Risk Assessment (BRA).
- *Contractor's* Baseline Risk Assessment in line with the *Employer's* BRA (Identification, assessment and management of Safety, Health and Environmental risks (Environmental aspects and impacts) related to the scope of work. The methodology used for the risk assessment must be provided together with the BRA.)
- Valid Letter of Good Standing (COIDA or equivalent)
- SHE policy signed by CEO/ MD- Comply to OHS Act Section 7 or ISO 45001:2018 (Occupational Health and Safety Management System) and the ISO14001:2015 (Environmental Management System).
- Occupational hygiene and health risk assessment
- Medical surveillance
- Method Statements/ Safe Working Procedures
- COVID-19 Risk Assessments and Workplace Plan

In addition, reference is to be made Occupational Health and Safety Specification, for documents and policies which the *Contractor* is to adhere to.

OHS File

The Contractor is required to compile an OHS File before the commencement of work. The OHS file must be submitted to the employer for review and acceptance, seven (7) days before any work can commence.

Environmental constraints and management

The *Contractor's* attention is drawn to the fact that Ingula Pumped Storage Scheme is situated in highly sensitive areas with respect to the environment. The *Contractor* acquaints himself with all statutory and local environment regulations and adheres to these without exception. The *Contractor* complies with the requirements of the National Environmental Management Act of 1988 and other applicable legislations. The contractor is expected to develop an Environmental Management Plan and needs to be signed by Eskom and the Contractor.

Ingula is a legally proclaimed Nature Reserve adherence to the set speed limit is required.

The contractor is expected to conform to the ISO14001:2015 that Eskom Ingula subscribes to.

Quality assurance requirements

Summation Test Report on all equipment tested including deviations noted.

Test certificate per item including one additional copy.

- The quality requirements are as per ISO 9001:2015 and as per Eskom document 240-105658000- Supplier Quality Management Specification.
- The Contractor utilises the Employer's QA (Quality Assurance) documentation forms for requesting access, erection checks, etc. These request forms are submitted to the Supervisor at least one week prior to the requested activity.
- The Contractor is made aware that all documents or designs submitted for review to the Employer for acceptance requires a process of review.
- The Contractor prepares and submits installation procedures with quality check sheets as well as the Quality Control Plan. Quality acceptance criteria must be included in these procedures.
- The Contractor documents all inspections as part of the quality assurance and control procedures. These documents are handed to the Employer as records.

Procurement

Disallowed Cost is not applicable

People

Minimum requirements of people employed

A Qualified Technician to carry out the required servicing on site.

BBBEE and preferencing scheme

Asper updated Codes: Section 28 of the Employment Equity

SDL (Supplier Development & Localisation)

Supplier Development Plan:

The *Contractor* complies with and fulfils the *Contractor's* obligations in skill development as committed in the target setting report

Designated Sector: Local Content Commitment 100%

Subcontracting

Not applicable

Plant and Materials

Specifications communicate under SOW

Correction of defects

- Contractor to test and certify that the equipment as beyond repairs if it cannot be repaired and communicate reasons with Service manager for agreement and follow up action plans

Contractor's procurement of Plant and Materials

The contractor is responsible for the procurement of any plant and material to carry out the works.

Tests and inspections before delivery

Contractor to ensure that the testing equipment is tested and proof of the tests to be presented.

Plant & Materials provided “free issue” by the *Employer*

- Supply of Electricity in general but not inside the place of work (Draft Tube waterways)
- Water in general but not inside the place of work (Draft Tube waterways will be dewatered for the operation.
- Ablutions

Working on the Affected Property

All persons to arrive/visit Ingula Power Station, National Key Point, have to comply/undergo the following:

- Notify their Eskom contact 48 hours prior arrival and submit ID numbers and vehicle registration numbers of persons to enter Eskom premises.
- To report at the surface building to enter the premises and undergo a Breathalyzer test before the contact person.
- Adhere to Eskom's Life-saving Rules:
 - Open, isolate, test, earth, bond and/or insulate before touch
 - Hook up at heights
 - Buckle up
 - Be sober
 - Permit to work
- Induction prior to work.
- Use all appropriate safety clothing (by own provision): Over-all, safety shoes, hard hat, gloves, earplugs, apron, goggles.
- Not rendering harm to any Eskom property or personnel.

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

When the contractor is bringing in tools, a tool list must be filled in at the security surface building. If the contractor is working outside of the Ingula premises, i.e. headrace or tailrace they still need to come to the security at the surface building for breathalyser test. Contractor to ensure that there is permit and signed before commencing with work.

The Contractor will be required to work outage hours:

Outage hours:

Monday - Saturday - 07h00 to 18h30 but are subject to change

The roads in and around Ingula have speed limit which must be adhered to at all times. There are wild animals in and around Ingula. Contractor will be given other restrictions once on the site, plus rules relating to roads, walkways and the provision of barricades

People restrictions, hours of work, conduct and records

Restrictions and hours of work may apply on some sites. It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. State that the *Service Manager* shall have access to them at any time. These records may be needed when assessing compensation events.

The normal working hours for routine maintenance will be as follows:

Monday - Thursday - 07h00 to 16h15

Friday - 07h00 to 12h00

Health and safety facilities on the Affected Property

First aid facilities are located at strategic points in the plant, the contractor to ask the Responsible person about the nearest first aid facilities. First aid facilities have names of people that are authorised to open them, if any help is required, contractor to speak the responsible person in charge of work/permit.

BUT the Contractor to supply own First Aider and First Aid Box as well as fire extinguishers if required as per Safety Data Sheets and risk assessments.

The contractor will be made aware of the different sirens used for emergencies during the induction training.

Environmental controls, fauna & flora

Not applicable.

Cooperating with and obtaining acceptance of Others

The contractor might be required to cooperate with the department of labour/Chief inspector and submit reports/records as required.

Records of Contractor's Equipment

A tool list will be provided for controlling the equipment brought to site. If a piece of Eskom equipment is leaving site, a removal permit has to be filled in and signed by the relevant manager and security.

Equipment provided by the Employer

None

Site services and facilities

Provided by the Employer

Electrical power supply and water will be provided by the employer but not in the area of work

Provided by the Contractor

The contractor must provide his own transport and accommodation for personnel. Prices to be included in the rates as per the Price List. No contractor to be transported at the back of the bakkies. All employees to buckle up while being transported

Control of noise, dust, water and waste

The site working area must be kept clean at all times. All waste must be disposed off in the appropriate waste bins provided in the main access tunnel, which are marked. The Ingula Pumped Storage Scheme "Safety Guidelines for contractors" agreement must be adhered to. The Contractor provides his own protective equipment necessary to perform the works. The daily removal of rubble and excess materials is compulsory.

Hook ups to existing works

Ensure only approved anchor points are used at all times.

Tests and inspections

Description of tests and inspections

Contractor to ensure that testing equipment are tested and proof of the tests to be presented

Materials facilities and samples for tests and inspections

Contractor to provide reports and certificates.

List of drawings

Drawings issued by the *Employer*

Indicated on SOW

Site information

The site Ingula Pumped Storage Scheme is reached from Harrismith via the N 3 and R 103 to Ladysmith. It could also be reached from Ladysmith direction Harrismith on the R 103. Turn right onto the P275 towards Besters, over the railway line left onto the D 48 until you reach the turn into the Ingula PSS. Distance is about 55 km from Ladysmith. See attached map of access roads and note installations are found at Bedford Dam on the upper site that is about 40 km from the Main Admin Building on the lower site. Bramhoek dam also have equipment.