



NEC3 Term Service

Short Contract (TSSC3)

A contract between Eskom Holdings SOC Ltd
(Reg No. 2002/015527/30)

and

for The provision of supervision, labour, transport, tools and equipment for the inspection, repair and replacement of meters and associated infrastructure, verification of the accuracy of meters, disconnections where appropriate and updating meter information in the Empangeni Area on an as and when required basis for a period of three (3) years with companies that are EME/QSE level 1-2 status level of contributor.

Contents: Compiled in accordance with CIDB Standard for Uniformity in Construction Procurement (May 2010 amendments)

Page No.

Part C1 Agreements & Contract Data

C1.1 Form of Offer and Acceptance

C1.2 Contract Data provided by the *Employer*

C1.2 Contract Data provided by the *Contractor*

Part C2 Pricing Data

C2.1 Pricing assumptions

C2.2 Price List

Part C3 Scope of Work

C3.1 Service Information

Pro Forma Task Order

Enquiry Number: KZN005

Documentation prepared by:

Contracts Management

C1 Agreements & Contract Data

C1.1 Form of Offer and Acceptance

Offer

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

The provision of supervision, labour, transport, tools and equipment for the inspection, repair and replacement of meters and associated infrastructure, verification of the accuracy of meters, disconnections where appropriate and updating meter information in the Empangeni Area on an as and when required basis for a period of three (3) years with companies that are EME/QSE level 1-2 status level of contributor.

The tenderer, identified in the signature block below, having examined the documents listed in the Tender Data and addenda thereto as listed in the Tender Schedules, 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.

The offered total of the Prices exclusive of VAT is	Rates will be proposed to the top 7 compliant contractors
Value Added Tax @ 15% is	Rates will be proposed to the top 7 compliant contractors
The offered total of the Prices inclusive of VAT is	Rates will be proposed to the top 7 compliant contractors
(in words)	

This Offer may be accepted by the Employer by signing the form of Acceptance overleaf 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)

Lwazi Nzama

Capacity

Technical Support Manager

**For the
tenderer:**

Name &
signature of
witness

Date

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 1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)

Part 2 Pricing Data

Part 3 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 Tender 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, which must be signed by the duly authorised representative(s) for both parties.

The tenderer shall within one week 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 copy of this document, including the Schedule of Deviations (if any) together with all the terms of the contract as listed above.

Signature(s)

Name(s)

Nozipho Mpanza

Capacity

Senior Manager: Operations and Maintenance

for the Employer

Eskom Holdings SOC Limited

Name &
signature of
witness

Date

Schedule of Deviations

Note:

1. To be completed by the Employer prior to award of contract. 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 is 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	Not Applicable	

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

Name &
signature
of witness

Date

Nozipho Mpanza

Senior Manager: Operations and
Maintenance

Eskom Holdings SOC Limited

C1.2 Contract Data

Data provided by the *Employer*

Clause	Statement	Data
General		
10.1	The <i>Employer</i> is:	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	011 800 8111
10.1 & 14.4	The <i>Employer's</i> representative to whom the <i>Employer</i> in terms of clause 14.4 delegates his actions ¹ is:	Lwazi Nzama
	Address	01 Portland Road Mkondeni 3201
	Tel No.	031 710 5328
	Fax No.	
	E-mail address	nzamalw@eskom.co.za
11.2(5)	The <i>Services</i> is	The Provision Of Supervision, Labour, Equipment And Transport For Auditing Of Small Power User (SPU/ Conventional Meters/ Converted Split Metering, Smart metering) And Remedial Action On Identified Defects On Metering Points.
11.2(6)	The Works Information is in	The Service Information will be as per scope in section C3 of this contract.
30.1	The <i>starting date</i> is.	01 July 2022
30.1	The <i>service period</i> is.	36 Months
30.2	The <i>starting date</i> of the works will be:	As per the purchase order (Purchase Order)
11.2(2)	The <i>completion date</i> of the contract is:	30 June 2025
11.2(2)	The <i>completion date</i> of the works will be:	As per the purchase order (Purchase Order)
13.2	The <i>period for reply</i> is	One week

¹ Except those actions which can only be done by the *Employer* as a Party to the contract.

50.1	The <i>assessment day</i> is the	25th of each month
50.6	The retention is	0%
51.2	The interest rate on late payment is	0% per complete week of delay.
80.1	The <i>Contractor</i> is not liable to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property in excess of	the amount of the deductibles relevant to the event described in the applicable "Format ECSC3" policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
82.1	The <i>Employer</i> provides this insurance	As stated for "Format NEC ECSC 3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
82.1	The minimum amount of cover for the third insurance stated in the Insurance Table is:	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.
82.1	The minimum amount of cover for the fourth insurance stated in the Insurance Table is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)
	Does the United Kingdom Housing Grants, Construction and Regeneration Act (1996) apply?	No
93.1	The <i>Adjudicator</i> is :	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).
93.2(2)	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 London Institution of Civil Engineers. (See www.ice-sa.org.za) or its successor body

93.4	The <i>tribunal</i> is:	Arbitration
	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	To be advised
	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.

The conditions of contract are the NEC3 Engineering and Construction Short Contract (June 2005)2 and the following additional conditions Z1 to Z11 which 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 and the Electricity Distribution Industry.
Z2	Change of Broad Based Black Economic Empowerment (B-BBEE) status
Z2.1	Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> notifies the <i>Employer</i> within seven days of the change.
Z2.2	The <i>Contractor</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Employer</i> within thirty days of the notification or as otherwise instructed by the <i>Employer</i> .
Z2.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the <i>starting date</i> the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i> obligation to Provide the Works.
Z2.4	Failure by the <i>Contractor</i> to notify the <i>Employer</i> of a change in its B-BBEE status may constitute a reason for termination. If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are those stated in Clause 91.1 and the amount due on termination includes amounts listed in Clause 92.1 less a deduction of the forecast additional cost to the <i>Employer</i> of completing the <i>works</i> .
Z3	Ethics
Z3.1	Any offer, payment, consideration, or benefit of any kind made by the <i>Contractor</i> , which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the <i>Contractor's</i> obligation to Provide the Works or taking any other action as appropriate against the <i>Contractor</i> (including civil or criminal action).
Z3.2	The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Works if the <i>Contractor</i> is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

- Z3.3 If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in Clause 91.1 and the amount due on termination includes amounts listed in Clause 92.1 less a deduction of the forecast additional cost to the *Employer* of completing the *works*.

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to others except where required by this contract. 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 where required by this contract 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 *Employer*.
- 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 *works* or any portion thereof, in the course of Providing the Works and after Completion, requires the prior written consent of the *Employer*. 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 clause 12.2:

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties or their delegates 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
Z6.1	The <i>Contractor</i> undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the <i>works</i>. Without limitation the <i>Contractor</i>: accepts that the <i>Employer</i> may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Site; 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 <i>works</i>; and undertakes, in and about the execution of the <i>works</i>, 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 <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z6.2	The <i>Contractor</i>, in and about the execution of the <i>works</i>, 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 <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z7	Provision of a Tax Invoice and interest. Add to clause 50
Z7.1	The <i>Contractor</i> provides the <i>Employer</i> with a tax invoice in accordance with the <i>Employer’s</i> procedures stated in the Works Information, showing the correctly assessed amount due for payment.
Z7.2	If the <i>Contractor</i> does not provide a tax invoice in the form and by the time required by this contract, the time by when the <i>Employer</i> 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 <i>Employer</i> in terms of clause 51.2 is then calculated from the delayed date by when payment is to be made.
Z7.3	The <i>Contractor</i> is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the <i>Employer’s</i> VAT number 4740101508 on each invoice he submits for payment.
Z8	Notifying compensation events
Z8.1	Delete from the last sentence in clause 61.1, “unless the event arises from an instruction of the <i>Employer</i>.”
Z9	<i>Employer’s</i> limitation of liability; Add to clause 80.1
Z9.1	The <i>Employer</i> liability to the <i>Contractor</i> for the <i>Contractor’s</i> indirect or consequential loss is limited to R0.00 (zero Rand).

Z10	Termination: Add to clause 90.2, after the words "or its equivalent":
Z10.1	or had a judicial management order granted against it.
Z11	Addition to Clause 50.5
Z11.1	If the amount due for the <i>Contractor's</i> payment of <i>delay damages</i> reaches the limits stated in this Contract Data (if any), the <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Works. If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are those stated in Clause 91.1 and the amount due on termination includes amounts listed in Clause 92.1 less a deduction of the forecast additional cost to the <i>Employer</i> of completing the <i>works</i>.

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 TSSC3 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" policy which may be in place for the *Employer's* portion of the property affected by the *service* or against the *Employer's* "assets" policy which may be in place for the *Employer's* portion of the property affected by the *service*, 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 property affected by the *service* and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 82 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from the *Contractor's* 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 TSSC3**' 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 to cover his risks as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 82.1. In terms of clause 82.1 "the *Contractor* provides the insurances stated in the Insurance Table. The *Contractor* does not provide an insurance which the *Employer* is to provide as stated in the Contract Data". 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. Part 2 of the contract will include a requirement for the tendering contractor to identify the cost of insurance which he has allowed for in his Prices, given the foregoing guidance, either as a separate priced item or
6. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx

Data provided by the *Contractor* (the *Contractor's Offer*)

The tendering contractor is advised to read both the NEC3 Term Service Short Contract (April 2013) and the relevant parts of its Guidance Notes (TSSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on page 24 of the TSSC3 Guidance Notes.

Completion of the data in full is essential to create a complete contract.

10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No. E-mail address	
63.2	The percentage for overheads and profit added to the Defined Cost for people is	0%
63.2	The percentage for overheads and profit added to other Defined Cost is	0%
11.2(4)	The Price List is in	the document called 'Price List' in Part 2 of this contract.
11.2(4)	The offered total of the Prices for part of the <i>service</i> in Part 1 of the Price List is	Rates based
11.2(4)	The offered total of the Prices for part of the <i>service</i> in Part 2 of the Price List is	Rates based

.....
Contractors Signature

³ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or www.ecs.co.za.

C2 Pricing Data

C2.1 Pricing assumptions

The rates will be proposed to the top 7 compliant contractors

C2.2 Price List

The rates will be proposed to the top 7 compliant contractors

PAYMENT TERMS

Payment will be effected 30 days after receipt of a correct and valid Tax Invoice. Incomplete and or incorrect invoices shall be returned and the period will again be calculated as from the date of receipt of your new or correct invoice.

C3: Scope of Work

C3.1 Service Information

THE PROVISION OF SUPERVISION, LABOUR, EQUIPMENT AND TRANSPORT FOR BACK TO BACK AUDITS AND FIXES

1. Description of the service

SCOPE OF WORK BACK TO BACK AUDIT

The following activities will be required.

- A systematic audit of all conventional electricity supply points per network breaker, per CNC, per Area in the sequence as defined by the Energy and Revenue recovery management. The audits will constitute capturing of all relevant data on a Trimble handheld G.P.S. device with a uploaded data sheet. At the same time a meter audit will take place by using a metes 32 meter calibration verifier. The meter accuracy will be saved for download as part of the data download. A download from the Trimble data logger will be used to create a control sheet for use by the project team to manage each and every supply point from audit to close out.
- In the event that a meter is tested and fails the prescribed limit the meter is to be replaced new meter data to be captured on the Trimble for project team to update cc & b system. Old or defective meter to be wrapped in bubble wrap and labelled and be returned to project team in order to be sent for testing. Doc number 240-162118415 contains the minimum requirements to be captured in a Physical audit. Removed meters will be handled and controlled in such a manner as to ensure a line of evidence as set out by the Eskom.
- Capturing the correct meter ID's and matching these with the meter badge numbers in CC&B.
- These will also be matched to all installations numbers. Once clarification has been obtained ID' all meter boxes will be numbered using a permanent marker both inside the meter box and outside.
- GPS co-ordinate (Eskom format to be specified) to be recorded at every supply point making follow up easier- this is also a requirement to load onto CC&B.
- Where installations are identified that are using electricity but have no meter the contractor is to install meters and compile a list of these and submit to the Energy and Revenue Recovery Management for their action. (Update data in CC&B).
- Where installations are identified that are using electricity but are not reflected on Eskom System the contractor is to assess meters and compile a list of these and submit to the Energy and Revenue Recovery Management for their action. (Update data in CC&B).
- The Contractor must issue a tamper notice and then the customer must be disconnected.
- Where installations are identified that are using electricity but are reflected on Eskom system as inactive. The contractor to assess meters seal the meter and disconnect the customer with an advise informing him to contact the relevant Customer Service Department in order to pay his outstanding fees and get reconnected.
- Record full details of faulty and tampered meters. Take a minimum of 18 photos of identified areas of the installation and report back to Eskom
- Identifying all distribution electrical equipment that needs to be repaired or replaced (meter boxes cables, junction boxes etc.) Exact GPS co-ordinate to be provided (record on Trimble).
- Full electronic report including MMF to be filled for meter replacements based on set standard.
- Identifying all electrical equipment where the Public could come into in advertent contact with electricity, e.g. Where locks on equipment are missing or covers are not in place. This inspection would be done in compliance with the Machinery Occupational Health and Safety Act.
 - Recording full details of tampered meters as defined by Eskom. Removed meters will be handled and controlled in such a manner as to ensure a line of evidence as set out by Eskom.

- The resealing of all meters and meter terminal covers in the format as required and directed by Eskom. Locks to be replaced by contractor. Each meter terminal meter cover will be sealed and that seal number will be recorded in CC&B with a view to prosecution. (Eskom provide seals as per SPU seals)
- Compiling a list of all faulty/damaged electrical meters. All dangerous installations on the house distribution boxes will also be reported on. Draw required number of meters and change out all faulty meters using applicable "CHANGE OUT" meter forms and hand these to Customer Services Department for input into CC&B.
- A target audit definition 1-30.

CONTRACTOR'S RESPONSIBILITIES

- The Eskom information forms as supplied should be delivered to Eskom as defined on a weekly basis.
- Record full details of faulty and tampered meters. Take minimum 18 photos of identified areas and report back to Eskom
- Devise 32 printout report.
- 18 high resolution photos of identified areas of the installation in coordination with the Energy services manager.
- Audit and fixes reporting guideline Doc number 240-162118415 to be followed. Focus will be on the Physical audit and the relevant minimum requirements of the reports captured in the document.
- The contractor will contact Energy and Revenue Recovery Management/ Energy Services Manager should any technical or administration assistance be required.

The Areas identified needs to be audited, including every point of supply of conventional metering, for small supplies within the Operating Unit and boundaries of KZNOU and FSOU.

Every installation needs to be visited and customer data gathered per the prescribed form as drawn up by Eskom. Customers that have supply by no meter installed needs to be identified and indicated during the audit.

Every meter needs to be recorded and data will be reconciled to that of CC&B, the debtors system. Those customers not on CC&B will be recorded and information given through to the area as far as SPU customers are concerned to the Pricing Department for further investigation.

A "First Line" maintenance inspection needs to take place covering the conventional metering Infrastructure. All the faults/deviations needs to be recorded and GPS co-ordinates taken. Faulty/ tampered meters needs to be changed out by the contractor and new meters installed.

The audit will result in the "LEGITIMISING" of the customers where there is no relationship with Eskom and recalculation of revenue where meter tampering has been identified.

Customer supply and debt agreements will be drawn up for the Area concerned and will need to be distributed to each customer for signature. All customers, where possible, will be approached by the contractor team/area and pricing personnel and discussions/agreements finalised regarding the legalising of the supply.

The process will be monitored by the dedicated Eskom personnel who in turn will work with the Energy and Revenue Recovery Management to handle queries regarding applications etc.

Any breakdown in communication between Eskom and the customer regarding the signing of the Agreement will result in "HARD DISCONNECTIONS".

There will be customers that will try and avoid the contractor/Eskom personnel but they will be Identified and disconnected where necessary.

All the above interventions need to be recorded by the contractor and monthly reports needs to be given to Eskom detailing the progress. At the end of the project a full status report needs to be given to Eskom.

Eskom requires every Small Power Conventional supply point to be audited by means of a Trimble data capture and Metes 32 verification test. In the event of a faulty meter $\pm 2,5\%$ in variance to be replaced by a meter of same value and sealed according to specification. If instructed to disconnect a supply point to be disconnected and the point sealed and locked in the off position.

PENALTIES

NB: It is a requirement of this contract that a minimum of 250 audits per contractor per month be done and submitted to Eskom for verification. Eskom reserves a right if the target of 250 audits per month per contractor is not met for two consecutive months, then the contractor in question may not be awarded work.

PRICE BASE

- The rates are fixed for the first 12 months of the contract period and thereafter, at the end of each year, provision for escalating based on an increase coupled to the Annual Producer Price and Consumer Price Index will be provided / negotiated.
- Over and above and independent of this provision, the rates will be evaluated annually from the date of commencement of the contract and adjusted either upwards or downwards in terms of the Fuel Price Adjustment clause and formula contained in this document below.

2. Specifications

The contractor will comply with the following:

Normative

- 32-524: Developing a SHE Specification and a SHE Plan.
- 32-1034 Eskom Procurement and Supply Management Procedure
- Basic Conditions of Employment Act No 75 of 1997.
- Occupational Health and Safety Act and Regulations No 85 of 1993. [5] National Environmental Management Act No 107 of 1998.
- National Road Traffic Act 93 of 1996
- 32-37 Eskom Substance Abuse Procedure.
- 32-95 Eskom Procedure manual for Performing Occupational Health and Safety Management and Environmental Management: Conduct EH&S Incident Management.

1.1.1 INFORMATIVE

- 240-77858652 Operating a Vehicle Mounted Crane
- DMN 34-318 Road Crossing Overhead Lines (Intermediate Poles on both sides of the Road)
- DMN 34-307 Maintain Overhead LV Lines under Energised HV Lines (11/22 kv)
- DMN 34-314 Road Crossing Overhead Lines (Strain One Side and Intermediate on the other side)
- DMN 34-1981 Excavations
- 32-345 Vehicle Specification
- DMN 34-183 Backfill and Compacting of Excavations
- DMN 34-185 Excavation for Lines & Substations
- DMN 34-276 Covering of Cable Trenches
- DMN 34-279 Barricading of Exposed Excavations
- DMN34-281 Installation of Pole-Mounted Transformer on a Reticulation Line
- DMN 34-288 Stringing of Conductors and Connections of Droppers
- DMN 34-293 Installation of Post Insulators
- DMN 34-294 Installation of Surge Arrestors
- DMN 34-295 Installation of Earthing on Sub-Transmission Line Structures
- DMN 34-1377 Task Manual for Mechanical Handling of Rural Line Poles and Cross arm On a Pole-Trailer and Truck

- DMN 34-1660 The use, care, Maintenance and Transportation of Crane Mounted Aerial Bucket
- 240-62946386 Vehicle and Driver Safety Management Procedure
- DGL 34-190 Access to Farms
- Constitution of the Republic of South Africa Act No 108 of 1996
- Tobacco Products Control Act 83 of 1993 (Updated 2001.11.19)
- 32-418 Working at Height Procedure
- DMN 34-96 Replacement of a Rotten / Broken Pole with a Vehicle Mounted Crane
- DMN 34-95 Replacement of Pole Dead End Assembly
- DMN 34-94 Replacement of Pole Mounted Transformer
- DMN 34-92 Replacement of a Rotten / Broken Pole Manually
- 240-76677057 Lifting, Installing and securing of LV and MV Cable onto vertical structures
- 240-68701299 tensioning of Stay Wires on an energized Overhead Lines
- 240-66129387 Joining LV Conductor and Aerial Bundle conductor (Dead Work)
- DMN 34-102 Build LV under Dead MV Lines on the same structure
- DMN 34-106 Physical Material Handling
- DMN 34-107 Stay Assembly Maintenance and Repair
- DMN 34-222 Road Crossing Overhead Lines Strain Poles on both Sides
- DMN 34-313 Install / Replace Surge Arrestors (Up to and Including 33KV)
- DMN 34-1987 Replacement of Cross Arm
- DMN 34-2119 Working with Petrol Drilling Machine
- DMN 34-2249 Pulling / Strengthening of Leaning poles
- 240-51065201 Operating a Hydraulic Auger attached to a vehicle mounted crane
- 240-147749433 Working on suspect for unclassified poles
- DMN 34-2120 and 240-77090523 Dismantling of Overhead Lines
- 32-123 Emergency Procedure
- KZN 16CSTI-168 Replacement Process for Working at Heights PPE Standard
- 34-380 Identifying, Analysing and Observing Tasks According to its Criticality
- 240-43921804 Driver Risk Profile
- 32-107 Fire Risk Management

Life Saving Safety Rules

Due to the importance to safe life's and apparatus of Eskom it is recommended that if a contractor abuse any Lifesaving safety rules, all work allocated to the contractor will immediately put on hold until final outcome with investigation. Safety is the combined responsibility of the team and therefore team leader or team will be punished together. There are five cardinal rules that may not be broken by the Team Leader and his/her team.

The five Eskom Life Saving Rules are as follows:

Rule 1:*Open, isolated, tests, earth, and bond and/or insulate before touch*

Rule 2:*Hook up at height*

Rule 3:*Buckle Up*

Rule 4*Be Sober*

Rule 5:*Ensure that you have a permit to work*

ACCEPTANCE NOTE

I/WE _____ HEREBY ACCEPT THE ABOVE TERM FOR
BREACHING OF LIFE SAVING SAFETY RULES.

SIGNED BY:.....

Signature:.....

DATE: ____ / ____ / ____

3. Constraints on how the *Contractor* Provides the Service

3.1 Meetings

Monthly meetings will be held with the contractors whereby Downloads will be done, Safety discussed, Performance Targets and General information will be shared.

3.2 Use of standard forms

As per Scope of Work.

3.3 Invoicing and payment

In terms of core clause 50 the *Contractor* assesses the amount due and applies to the *Employer* for payment. The *Contractor* applies for payment with a tax invoice addressed to the *Employer* as follows:

The *Contractor* includes the following information on each tax invoice:

- Name and address of the *Contractor*
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- The total of
 - The Price for each lump sum item in the Price List or Task Order which the *Contractor* has completed;
 - Where a quantity is stated for an item in the Price List or Task Order, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate,
- Other amounts to be paid to the *Contractor*;
- Less amounts to be paid by or retained from the *Contractor*;
- The change in the amount due since the previous payment being the invoiced amount - excluding VAT, the VAT and including VAT;
- (add other as required)

The *Contractor* attaches the detail assessment of all work done for each item in the Price List to each tax invoice showing

- the Price for each lump sum item in the Price List or Task Order which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List or Task Order, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

Invoices to be addressed as follows:

Att: The Financial Manager
Eskom Holdings SOC Limited
P.O. Box 1839
New Germany
3620

3.4 Records of Defined Cost

In order to substantiate the Defined Cost of compensation events, the *Employer* may require the *Contractor* to keep records of amounts paid by him for people employed by the *Contractor*, plant and materials, work subcontracted by the *Contractor* and equipment. [See clause 11.2(2) and 63.2].

3.5 SD&L Undertaking

Tenderers who complete and submit the undertaking as required, but who do not meet Eskom's targets, will not be disqualified. SD&L undertakings do not form part of scoring but commitments will form part of contractual obligations

Enterprise or Supplier Development

The main contractor will be required to propose development in the following areas;

Support Description	Tenderer Proposal
N/A	

Job Opportunities

Tenderer to indicate number of Jobs to be created and/or retained from this contract;

Number of Jobs to be created	Number of Jobs to be retained

Skills Development

Tenderers are required to propose against the following training initiatives;

Category	Intake	Exit	Eskom Target	Tenderer Proposal
Basic Fire Fighting Skills			2	
LV Regulation Training			2	
LV Regulation Meter Training			2	
Customer Relations			2	
K53 Driver Training			2	
Total			10	

Note:

- 1 CANDIDATE (FOR EITHER OF THE TRAINING COURSES ABOVE) FOR EVERY R1 MILLION WORTH OF ACCUMULATED PURCHASE ORDERS THAT HAS BEEN ALLOCATED TO THE CONTRACTOR.

3.6 BBBEE Category Targeted

EME/QSE level 1-2

Tender Returnable required:

- Valid copy of sworn affidavit in the case of EME's must be submitted (affidavit must be completed fully), or
- Valid Copy B-BBEE Certificate issued by CIPC for EME's. OR
- Valid certified copy of the B-BBEE certificate issued by SANAS Accredited Verification Agency for QSE or
- Valid copy of sworn affidavit in the case of QSE's must be submitted, or
- For JV's only valid certified copy B-BBEE Certificate issued by a SANAS Accredited Verification Agency will be accepted and the certificate should be in the name of the JV.

4. Requirements for the plan

Contractor to provide a plan in PDF Format, of how the training will be conducted, stating what will be covered by the course and when. Included in the plan will be how assessments will be conducted, and when certification will be provided

Health and Safety Plan

I/Wewill prepare and submit Health and Safety Plan to Project Manager before the commencement of each Task and Resource Capacity Schedule, as per the following in details:-

1. Authorised Persons for High Voltage Authorisation and LV Switching providing the ID Numbers of the authorised person/s with the permit/ certification date or number and the date of expiry.
2. Safety Representatives and First Aiders names, providing their ID Numbers and details of certification.
3. Serial numbers, calibration certificates and expiry dates of the tested tools and equipment.
4. Make, model and registration number of vehicles to be used.

Subcontracting

Contractors are requested to submit names of proposed "Subcontractors" to be utilized on this project. Contractors are advised that only Eskom Approved Consultants and Contractors who have completed the necessary Eskom Contractor Training & Accreditation may be used.

Subcontractor	Section of Work to be Subcontracted	Vendor No.

Contractor Signature:.....

5. Services and other things provided by the *Employer*

Item	Date by which it will be provided
Eskom will provide the Contractor with identification cards and a letter of authorization to clearly identify Contractors' staff as Eskom Meter Reader contractors.	
Trimble Data logger	Ongoing
Metes 32 Meter Verifier	Ongoing
Wire and Paper Seals	Ongoing
Meters	Ongoing

NOTE

Damage/ loss of Trimble or meter due to negligence will be recovered from contractor at actual cost.

6. Property affected by the service

Kwa-Zulu Natal and Free state Households as per purchase order issued by Eskom Energy and Revenue Recovery Management.

Access to the Eskom Web Page

All contractors must make sure that they can access Eskom Web page at any given time to get the latest drawings and specifications before commencement of any task. Web Access applications can be done through the assistance of Brenda Morrison @ 011 629 5266 or MorrisEF@eskom.co.za

Acknowledgement of Web Access

Ido hereby acknowledge having access to the Eskom Distribution Website with all Distribution Procedures, Standards and Drawings as they will be listed in the index of the Purchase order documents.

I undertake to study and abide by these requirements at all times. If for any reason I cannot access or open any of the files on the web, I will contact the Employer immediately.

Signed at: on the day of

Contractors Signature:.....

Purchase Order

Purchase Order form for use when work within the service is instructed to be carried out within a stated period of time on a purchase order.

Purchase Order [•] service .[•]
No.

To:

[•].....
..... (Contractor)

I propose to instruct you to carry out the following task:

Description [•]

Starting date [•]

Completion Date [•]

Delay damages per [•]
week

Please submit your price and programme proposals below.

Signed: Date

(for Employer)

Total of Prices for items of work on the Price List
(details attached) R. _____

Total of Prices for items of work not on the Price
List (details attached). R. _____

Total of the Prices for this Task Order R _____

The programme for the Task is [ref] (attached)

Signed: Date

(for Contractor)

I accept the above price and programme and instruct you to carry out the Task

Signed: Date:

(for Employer)