NEC3 Term Service Contract (TSC3)

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

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

for **RESTELITING OF TURBINE VALVES AT MAJUBA POWER STATION FOR 60 MONTHS**

Contents:		**No of pages**
Part C1	**Agreements & Contract Data**	**[●]**
Part C2	**Pricing Data**	**[●]**
Part C3	**Scope of Work**	**[●]**

Enquiry No. MPMAJ11122GX

PART C1: AGREEMENTS & CONTRACT DATA

Contents:		No of pages
C1.1	**Form of Offer and Acceptance**	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.2a	**Contract Data provided by the *Employer***	**[●]**
C1.2b	**Contract Data provided by the *Contractor***	**[●]**
	[to be inserted from Returnable Documents at award stage]	
C1.3	**Proforma Guarantees**	**[●]**

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:

Provision of C&I Maintenance Services at Majuba Power Station for 60 months (5 years)

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Options A	The offered total of the Prices exclusive of VAT is	**R**
	Value Added Tax @ 15% is	**R**
	The offered total of the amount due inclusive of VAT is[1]	**R**
	(in words)	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer:

.....

Name & signature of witness *(Insert name and address of organisation)* Date .....

Tenderer's CIDB registration number: .....

[1] This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

By signing this part of this Form of Offer and Acceptance, the Employer identified below accepts the tenderer's Offer. In consideration thereof, the Employer shall pay the Contractor the amount due in accordance with the *conditions of contract* identified in the Contract Data. Acceptance of the tenderer's Offer shall form an agreement between the Employer and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s) .....

Name(s) .....

Capacity .....

for the Employer .....

Name & signature of witness .....

(Insert name and address of organisation)

Date .....

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the *Employer* prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1	**[●]**	**[●]**
2	**[●]**	**[●]**
3	**[●]**	**[●]**
4	**[●]**	**[●]**
5	**[●]**	**[●]**
6	**[●]**	**[●]**
7	**[●]**	**[●]**

By the duly authorised representatives signing this Schedule of Deviations below, the Employer and the tenderer agree to and accept this Schedule of Deviations as the only deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Tender Schedules, as well as any confirmation, clarification or changes to the terms of the Offer agreed by the tenderer and the Employer during this process of Offer and Acceptance.

It is expressly agreed that no other matter whether in writing, oral communication or implied during the period between the issue of the tender documents and the receipt by the tenderer of a completed signed copy of this Form shall have any meaning or effect in the contract between the parties arising from this Agreement.

	For the tenderer:	**For the Employer**
Signature	.....	.....
Name	.....	.....
Capacity	.....	.....
On behalf of	..... *(Insert name and address of organisation)*	..... *(Insert name and address of organisation)*
Name & signature of witness	.....	.....
Date	.....	.....

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)

1. Please read the relevant clauses in the conditions of contract before you enter data. 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.

2. Some TSC3 options are always selected by Eskom Holdings SOC Ltd. The remaining TSC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "**[●]" -** data is required to be inserted relevant to the specific option selected.]

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

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	**W1: Dispute resolution procedure**
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		Z: *Additional conditions of contract*
	of the NEC3 Term Service Contract April 2013[2] (TSC3)	
10.1	The *Employer* is (name):	**Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**017 799 3538**
10.1	The *Service Manager* is (name):	**Lawrence Nhlapo**
	Address	**Majuba Power Station Private Bag X 9001**

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

		Volksrust **2470**
	Tel	**017 799 3433**
	e-mail	**NhlapoSL@eskom.co.za**
11.2(2)	The Affected Property is	**Majuba Power Station**
11.2(13)	The *service* is	**Resteliting of Turbine Valves Refurbishment at Majuba Power Station Station for (60 months)**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
12.2	The *law of the contract* is the law of	**the Republic of South Africa**
13.1	The *language of this contract* is	**English**
13.3	The *period for reply* is	**4 weeks**
2	**The *Contractor*'s main responsibilities**	**Data required by this section of the core clauses is also provided by the *Contractor* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data**
21.1	The *Contractor* submits a first plan for acceptance within	**4 weeks of the Contract Date**
3	**Time**	
30.1	The *starting date* is.	**01 October 2024 or soon there after**
30.1	The *service period* is	**60 months (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 *assessment interval* is	**between the 25th day of each successive month.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**60 days.**
51.4	The *interest rate* 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 Rands 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 *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	**Compensation events**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
7	**Use of Equipment Plant and Materials**	**There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**N/A**
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**	
11	**Data for Option W1**	
W1.1	The *Adjudicator*	**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).**
	Address	**[●]**
	Tel No.	**[●]**

	Fax No.	**[●]**
	e-mail	**[●]**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.**
W1.4(2)	The *tribunal* is:	**Arbitration**
W1.4(5)	The *arbitration procedure* is	**the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**
	The place where arbitration is to be held is	**[●] South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**
12	**Data for secondary Option clauses**	
X1	**Price adjustment for inflation**	
X1.1	The *base date* for indices is	

The proportions used to calculate the Price Adjustment Factor are:

proportion	linked to index for	Index prepared by
0.50	**Labour**	**Seifsa Table 3(a)**
0.10	**Transport**	**Seifsa Table L2(a)**
0.05	**Material**	**Seifsa Table G1**
0.20	**Material**	**Seifsa Table U-A final manufacturing goods**
0.15	**non-adjustable**	
1.00		

X2	**Changes in the law**	**There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.**
X17	**Low service damages**	
X17.1	The *service level table* is in	**In the Scope of Work**
X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**

X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on** *http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx*
X18.3	The *Contractor*'s 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 *Employer*'s insurance (other than the resulting physical damage to the *Employer*'s property which is not excluded) plus the applicable deductibles in the *Employer*'s assets and works / maintenance policies available on** http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.4	The *Contractor*'s total liability to the *Employer*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**the total of the Prices other than for the additional excluded matters.** **a** **The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* 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 *Employer*'s property, Plant and Materials),** • **death of or injury to a person and** • **infringement of an intellectual property right.**
X18.5	The *end of liability date* is	**6 months after the end of the *service period*.**
Z	**The *additional conditions of contract* are**	**Z1 to Z11 always apply.**

Z1 Cession delegation and assignment

Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer.*

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Joint ventures

Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.

Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.

Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

Z3 Change of Broad Based Black Economic Empowerment (B-BBEE) status

Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor*'s B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor*'s obligation to Provide the Service.

Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.

Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the

service period, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties*,* the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

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

Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

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

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

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

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

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

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

Z8 Notifying compensation events

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

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

Z9 *Employer's* limitation of liability

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

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

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

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

Z11 Ethics

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

Affected Party	means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action and
Prohibited Action	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

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.

Z12 Insurance

Z _12 .1 Replace core clause 83 with the following:

Insurance cover 83

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

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

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the *Contractor* to the *Employer*'s property	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
The *Contractor*'s liability for loss of or damage to property (except the *Employer*'s property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the	<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.

Contractor) arising from or in connection with the *Contractor*'s Providing the Service	
Liability for death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z__12.2 Replace core clause 86 with the following:

Insurance by the *Employer*

86

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

INSURANCE TABLE B

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

Z13 Nuclear Liability

Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.

Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against

any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 44 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.

Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 44 of 1999, or any replacement section dealing with the same subject matter.

Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

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

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

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

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

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor*’s personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer*’s expense, and conducted in line with South African legislation.

Annexure A: 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/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_Fr*om_1_April_2014_To_31_March_2015.aspx*

C1.2 Contract Data

Part two - Data provided by the *Contractor*

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry) Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)[3] 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 *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**%** **%**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the *Contractor*'s plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job	

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

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in .

A	**Priced contract with price list**	
11.2(12)	The *price list* is in	
11.2(19)	The tendered total of the Prices is	**R**

PART 2: PRICING DATA
TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The *price list*	**[●]**

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 *price list* 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 *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* 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 hi
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

Feed water									
KKS	**DESCRIPTION**	**SIZE mm**	**Design PRES MPa @ deg C**	**TYPE**	**OPERATION**	**UoM**	**Qty - Outages over 5 Years**	**Rate**	**Total Price**
LAB10AA501	BFP SUCT ISOL	350 NB	0.70 Mpa @ 155 DEG c	P/S	HAND	ea	21		R
LAB10AA502	BFP DISHARGE NRV	285 NB	42MPa @ 160 DEG C	NRV	AUTO	ea	21		R
LAB10AA101	BFP DISHARGE ISOL	260 NB	42MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB20AA501	BFP SUCTION ISOLATOR	350 NB	0.70 Mpa @ 155 DEG c	P/S	HAND	ea	21		R
LAB20AA502	BFP DISHARGE NRV	285 NB	42MPa @ 160 DEG C	NRV	AUTO	ea	21		R
LAB20AA101	BFP DISHARGE ISOL	260 NB	42MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB30AA501	BFP SUCTION ISOLATOR	350 NB	0.70 Mpa @ 155 DEG c	P/S	HAND	ea	21		R
LAB30AA502	BFP DISHARGE NRV	285 NB	42MPa @ 160 DEG C	NRV	AUTO	ea	21		R
LAB30AA101	BFP DISHARGE ISOL	260 NB	42MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB41AA101	FEED REG V/V LAB41AA001 ISOL	260 NB	42MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB41AA501	LAB41AA001 OUTLET ISOL	260 NB	29MPa @ 160 DEG C	P/S	HAND	ea	21		R
LAB42AA101	FEED REG STATION BYPASS	400 NB	42MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB43AA101	FEED REG LAB43AA001 INLET ISOL	260 NB	29MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB43AA501	FEED REG LAB43AA001OUTLET ISOL	260 NB	42MPa @ 160 DEG C	P/S	HAND	ea	21		R
LAB61AA101	HP HTR 5A FEED INLET ISOL	300 NB	29MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB61AA102	HP HTR 6A OUTLET ISOL	300 NB	29MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB62AA101	HP HTR 5B FEED INLET ISOL	300 NB	29MPa @ 160 DEG C	P/S	MOTOR	ea	21		R
LAB62AA102	HP HTR 6B FEED OUTLET ISOL	300 NB	29MPa @ 160 DEG C	P/S	MOTOR	ea	21		R

LAB63AA501	HP HTR BANK FEED BYPASS	450 NB	29MPa @ 160 DEG C	NRV	AUTO	ea	21		R
LCH10AA401	HP HTR 5A SHELL DRAIN TO DST	250 NB	1.7 & VACUUM @220	NRV	AUTO	ea	21		R
LCH10AA402	HP HTR 5A SHELL DRAIN TO DST	250 NB	1.7 & VACUUM @220	PS	HAND	ea	21		R
LCH20AA101	HP HTR 5A SHELL EMERGENCY DRAIN TO ACCCT	250 NB	1.7 & VACUUM @220	PS	MOTOR	ea	21		R
LCH30AA401	HP HTR 5B SHELL DRAIN TO DST	250 NB	1.7 & VACUUM @220	NRV	AUTO	ea	21		R
LCH30AA402	HP HTR 5B SHELL DRAIN TO DST	250 NB	1.7 & VACUUM @220	PS	HAND	ea	21		R
LCH40AA101	HP HTR 5B EMERGENCY DRAIN TO ACCCT	250 NB	1.7 & VACUUM @220	PS	MOTOR	ea	21		R
LCH60AA101	HP HTR 6A SHELL EMERGENCY DRAIN TO ACCCT	200 NB	1.7 & VACUUM @280	PS	MOTOR	ea	21		R
LCH80AA101	HP HTR 6B SHELL EMERGENCY DRAIN TO ACCCT	200 NB	1.7 & VACUUM @280	PS	MOTOR	ea	21		R
LBQ53AA101	BLED STEAM TO HP HTR 5A ISOLATOR	300 NB	1.7 & VACUUM @385	PS	MOTOR	ea	21		R
LBQ54AA101	BLED STEAM TO HP HTR 5B ISOLATOR	300 NB	1.7 & VACUUM @385	PS	MOTOR	ea	21		R
LBQ61AA101	BLED STEAM TO HP HTR 6A ISOLATER	250 NB	5.5 & VACUUM @370	PS	MOTOR	ea	21		R
LBQ62AA101	BLED STEAM TO HP HTR 6B ISOLATER	250 NB	5.5 & VACUUM @370	PS	MOTOR	ea	21		R
LBQ61AA201	BLED STEAM TO HP HTR 6A PRV	250 NB	5.5 & VACUUM @370	NRV	PNEUMATIC	ea	21		R
LBQ50AA201	BLED STEAM TO HP HTR 5A & 5B	450 NB	1.7 & VACUUM @385	NRV	AUTO	ea	21		R
LBQ62AA201	BLED STEAM TP HP HTR 6B	250 NB	5.5 & VACUUM @370	NRV	PNEUMATIC	ea	21		R -

Condensate Valves

KKS	Description	Nom. Size (mm)	Design Temp (C)	Design Pressure (MPa)	Type		Qty	Rate	Amount
*0LAB31AA101	DST RECIRC TO BBDS	200	155	0.7	PARALLEL SLIDE	ea	21		R
*0LBQ63AA101	LOW LOAD STEAM TO DST	300	370	5.5	PARALLEL SLIDE	ea	21		R
*0LBQ63AA501	LOW LOAD STEAM TO DST NRV	300	370	5.5	NON RETURN VALVE	ea	21		R
*0LBQ80AA101	AUX STM SUPPLY IV	200	350	5.27	PARALLEL	ea	21		R

					SLIDE				
*0LBQ80AA502	AUX STM SUPPLY NRV	200	350	5.27	NON RETURN VALVE	ea	21		R
*0LBS30AA201	BLED STEAM TO LPH30 ISOLATOR	650	200	0.35	BUTTERFLY	ea	21		R
*0LCA21AA501	CEP DISCH NRV	450	75	2.5	NON RETURN VALVE	ea	21		R
*0LCA22AA501	CEP DISCH NRV	450	75	2.5	NON RETURN VALVE	ea	21		R
*0LCA50AA201	CONDENSATE IV	450	150	1.72	BUTTERFLY	ea	21		R
*0LCA50AA001	MAIN CONDENSATE CONTROL VALVE	400	75	2.5	CAGE	ea	21		R
*0LCA50AA501	CONDENSATE TO LP HEATER 1 NRV	450	75	2.5	NON RETURN VALVE	ea	21		R
*0LCA54AA001	CONDENSATE RECIRC CV	200	75	2.5	CONTROL VALVE	ea	21		R
*0 LCJ40AA101	LPH 3 DRAIN TO LPH 2 FLASHBOX	200	135	0.35	PARALLEL SLIDE	ea	21		R
*0 LCJ41AA101	LPH 3 DRAIN TO ACCCT	300	135	0.35	PARALLEL SLIDE	ea	21		R
*0LCP20AA501	CONDENSATE SURPLUS	250	75	2.5	NON RETURN VALVE	ea	21		R
MAJ11 AA101	HOGGING EJECTOR INLET AIR VALVE	400			MOTOR OPERATED BUTTERFLY VALVE	ea	21		R
MAJ12 AA101	HOGGING EJECTOR INLET AIR VALVE	400			MOTOR OPERATED BUTTERFLY VALVE	ea	21		R
LCM51 AA001	TCT LEVEL CONTROL A	200	75	0.35	CONTROL VALVE	ea	21		R
LCM51 AA401	TCT DRAIN PUMP A SUCTION ISOLATOR	250	75	0.35	PARALLEL SLIDE	ea	21		R
LCM51 AA402	TCT DRAIN PUMP A DISCHARGE	200	75	0.35	NRV	ea	21		R
LCM51 AA403	TCT DRAIN PUMP A DISCHARGE ISOLATOR	200	75	0.35	PARALLEL SLIDE	ea	21		R
LCM51 AA404	TCT TO ACCCT ISOLATOR	200	75	0.35	PARALLEL SLIDE	ea	21		R
LCM52 AA407	TCT TO ACCCT	200	75	0.35	NRV	ea	21		R
LBG34 AA101	AUX STEAM	200	350	5.27	MOTOR OPERATED GATE VALVE	ea	21		R
LBG35 AA501	AUX STEAM	150/200	350	1.52	RELIEF VALVE	ea	21		R
MAW78 AA101	GLAND STEAM VACUUM BREAKING VALVE	300			MOTOR OPERATED	ea	21		R

					BUTTERFLY VALVE				
MAW79 AA101	GLAND STEAM VACUUM BREAKING VALVE	300			MOTOR OPERATED BUTTERFLY VALVE	ea	21		R
LBQ63 AA001	LOW LOAD STEAM TO DEARATOR PRESSURE REDUCING VALVE	250/500	370	5.5	PRESSURE REDUCING	ea	21		R
LCE21 AA501	LP BYPASS SPRAY WATER ISOLATION VALVE	250	75	2.5	WEDGE GATE	ea	21		R

Turbine Auxiliaries									
KKS	**Description**	**Nom. Size (mm)**	**Design Temp (C)**	**Design Pressure (MPa)**	**Type**		**Qty**	**Rate**	**Amount**
LBS30 AA501	Bled steam to LP heater 3	650	200	0.35 & Vacuum	NRV	ea	21		R
LBS31 AA501	Bled steam to LP heater 3	650	200	0.35 & Vacuum	NRV	ea	21		R
LBS40 AA201	Bled steam to deaerator	500	294	0.54	NRV	ea	21		R
LBS40 AA202	Bled steam to deaerator	500	294	0.54	NRV	ea	21		R
LBQ50 AA201	Bled steam to HP heater 5A and 5B	450	385	1.7	NRV	ea	21		R
LBQ61 AA201	Bled steam to HP heater 6A	250	370	5.5	NRV	ea	21		R
LBQ62 AA201	Bled steam to HP heater 6B	250	370	5.50 & Vacuum	NRV	ea	21		R
	GENERAL:								
	Site Establishment and Maintenance					sum	1		R
	Site De- establishment					sum	1		R
	Health and Safety (Safety File approval and Maintenance)					per outage	1		R
	Transport (travelling-estimating Johannesburg to Majuba)					per outage	500		R
	Transport (travelling daily comuting from Volksrust to Majuba)					per day	200		R
	Consumables					per outage	1		R
	SUB - TOTAL								**R**

MANPOWER - Normal Time

No. of people	Description	UoM	Total estimated no. of hrs over 5 years	Rate	Total Amount
1	Site Manager	Hour	5776		R -
0.25	Project Manager	Hour	1444		R -
0	Project leaders	Hour	0		R -
2	Site Supervisors	Hour	11552		R -
2	Appointed Supervisor	Hour	11552		R -
1	R.P	Hour	5776		R -
8	Artisans / Welders	Hour	46208		R -
8	Semi-skilled	Hour	46208		R -

MANPOWER - Overtime (Monday - Saturday)

1	Site Manager	Hour	1444		R -
0.25	Project Manager	Hour	361		R -
0	Project leaders	Hour	0		R -
2	Site Supervisors	Hour	2888		R -
2	Appointed Supervisor	Hour	2888		R -
1	R.P	Hour	1444		R -
8	Artisans / Welders	Hour	11552		R -
8	Semi-skilled	Hour	11552		R -

MANPOWER - Overtime (Sunday / PPH)

1	Site Manager	Hour	1444		R -

0.25	Project Manager	Hour	361		R -
0	Project leaders	Hour	0		
2	Site Supervisors	Hour	2888		R -
2	Appointed Supervisor	Hour	2888		R -
1	R.P	Hour	1444		R -
8	Artisans / Welders	Hour	11552		R -
8	Semi-skilled	Hour	11552		R -
	SUB - TOTAL				**R**
	TOTAL (period of 5 Years)				**R**

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	*Employer*'s Service Information	34
C3.2	*Contractor*'s Service Information	TBA
	Total number of pages	35

2 C3 TSC3 COVER PAGE

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

1 Description of the service

1.1 Executive overview

The Service is for the resteliting of large bore valves on the Turbine plant at Majuba Power Station, which include inspecting, resteliting and lapping of the valves.

Upon completion of each valve, a signed data pack must be issued to Eskom.

1.2 *Employer*'s requirements for the service

The Service is the resteliting of large bore valves on the Turbine plant at Majuba Power Station. The following to be performed for each valve

1.2.1 Preparation work

1. Scope of work to be handed to contractor of valves to be restelited.
2. Valves to be tagged
3. Scaffold requirements to be submitted to the contract manager or identified representative
4. QCP's to be drafted and accepted before work start.
5. Lifting equipment to be certified and anchor points verified to be sufficient.

1.2.2 Inspection of valve

1. The inspect all components
2. Inspect valve body seat and spindle/flap seat for any wear or damage.
3. NDT to be requested on valve seat and critical components when required. NDT service to be provided by the *Employer* on request from the Contractor
4. The contract manager or identified representative will be notified as soon as wear or damage is recorded. The contract manager or identified representative will then notify the System Engineer and Quality Representative to conduct inspections.
5. The *Contractor* will replace spares damaged as result of poor workmanship or negligence.

1.2.3 Replacement of soft spares

1. The will be no need for soft goods replacement.

1.2.4 Repairs

If a valve or component is identified as damaged and repairable with resteliting, the Contract *Manager* will request the *Contractor* for a quote to repair. Once the Contract *Manager* accepts the quote, the Contract ma*nager* will issue a task order for the compensation. A QCP will be set up by the Contractor and be approved by the Engineer. The *Contractor* will be responsible to oversee the repair process of valves/ spares repairs and is responsible to adhere to hold and witness points on the agreed QCP.

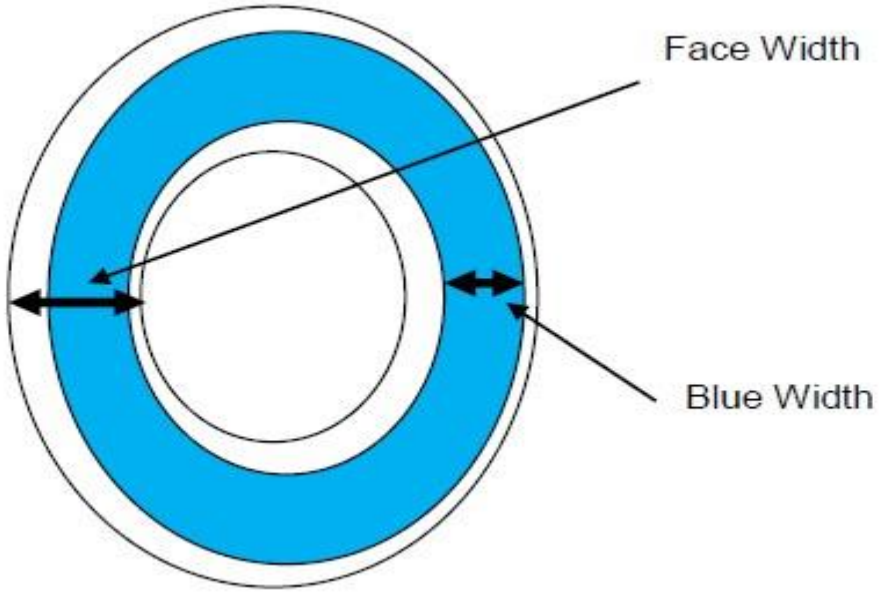
1.2.5 Lapping and blueing

1. Upon completion of resteliting The *Contractor* to lap seats with appropriate lapping paste.
2. Blue test (using mechanical blue) achieve at least an 85% sealing surface (witnessed by QC and engineering)
3. Clean the spindle and body seat properly to remove all lapping compound. A form of a cleaning solution like alcohol may be used.
4. The procedure below will indicate how a safety valve seat is blue checked.

- Apply a very thin even layer of engineering blue to the spindle seat.
- Lower the spindle seat to the body seat but ensure it does not touch the body seat until aligned.
- Apply even pressure on the spindle seat and rotate the seat 90° without moving the seat up, down, left or right. Then rotate the seat back 90° to its original position.
- Remove the spindle seat and inspect both seats for blue rub-off and blue transfer from the spindle seat to the body seat respectively.
- If the transfer to the body seat is more than 85% then the blue may be cleared off.
- Clean the seats thoroughly by using a cleaning solution.
- Apply a very thin even layer of engineering blue to the valve body seat.
- Lower the clean spindle seats until it aligns with the body seat and then only allow the two seat faces to touch.
- Apply an even pressure on the seat to ensure uniform blue results.
- Turn the seat 90° in one direction without moving the spindle seat up, down, left or right. Then turn it back 90° to its original position.
- Carefully remove the spindle seat from the body seat and inspect the blue results
- If a 85% and higher blue transfer is transferred to the spindle seat then the seat is lapped satisfactory.
- After this inspection the valve may be boxed up.

5. The procedure below will indicate how a wedge and parallel slide valve seat is blue checked:
   - Follow same steps as above except that for the wedge gate valve the wedge is not turned 90° it is only applied pressure and removed.
6. The acceptance criteria for the blue checks
   a. Lapping plate to surface table: =100%

7. The Blue % identification:
   a. Face Width
   b. Blue Width



8. The Blue percentage can be determined by using the following formulae:
   % Blue = (Blue Width) / (Face Width) X 100
   If there is an area where the seat does not blue in accordance with the acceptance criteria then the System Engineer must be contacted to make a final decision.

9. Shafts and bushes
   The service provider to repair the shafts and bushes restoring them to the required sizes.

1.2.6 Re-assembly

1. The *Contractor* will not be responsible for the re-assembly of the valve.
2. *Contractor* cleans the area of work.

1.2.7 Reports

Report contains the at least the following:

1. QCP per valve
2. Condition of valve
3. Stellite condition of seat
4. Components that were replaced
5. Record all components that need to be replaced
6. Recommendations for the next outage
7. Action taken to do repairs

1.2.8 Commissioning

The *Contractor* is not obligated to be onsite during commissioning. Were issues are identified and cannot be attended to defects will be raised and the *Contractor* would be notified when an opportunity arises to correct the defect.

1.3 Quality Control Plans

1. The *Contractor* compiles Quality Control Documents and gets it approved by the Eskom System Engineer and the Majuba Quality department or Inspection Authority.
2. Each valve needs to have its own QCP, identified by KKS number, with the activities to be performed
3. The work does not commence unless the QCP's are approved by the System Engineer prior to commencement.
4. The works is not considered complete, if all hold points on these documents are not signed by all parties.
5. In the event that the hold and witness points are not adhered to, the *Contractor* performs the work again at the *Contractor's* own account
6. A weld package is submitted to the relevant welding engineer that includes the WPS of the work to be done as well as the welder's qualification.

1.3.1 5-Year Outage Plan

The 5-year outage plan is documented in the table below. Due to rescheduling performed on a continuous basis, the plan might change from time-to-time. The latest updates can be obtained from the *Service Manager* when required.

Unit	Planned/Actual Start Time	Planned/Revised End Time	Outage Description	Planned Duration
L	2021/07/15 07:00:00	2021/07/28 23:59:00	IN	14
5	2021/12/06 07:00:00	2021/01/10 23:59:00	IR	36
2	2022/02/11 07:00:00	2022/02/24 23:59:00	BTI	14
5	2022/02/24 07:00:00	2022/04/13 23:59:00	MGO	49

3	2022/07/15 07:00:00	2022/08/11 23:59:00	IR	28
6	2022/09/16 07:00:00	2022/11/03 23:59:00	MGO	49
4	2022/09/19 07:00:00	2022/10/02 23:59:00	BTI	14
1	20230/0/23 07:00:00	2023/028/19 23:59:00	IR	28
2	2023/08/24 07:00:00	2023/09/20 23:59:00	IR	28
5	2023/10/13 07:00:00	2023/10/26 23:59:00	IN	14
3	2024/02/11 07:00:00	2024/02/24 23:59:00	BTI	14
3	2024/05/09 07:00:00	2024/07/18 23:59:00	GO	71
6	2024/05/20 07:00:00	2024/06/02 23:59:00	BTI	14
4	2024/07/14 07:00:00	2024/08/11 23:59:00	IR	29
1	2024/08/21 07:00:00	2024/09/03 23:59:00	BTI	14
Unit	Planned/Actual Start Time	Planned/Revised End Time	Outage Description	Planned Duration
2	2025/03/02 07:00:00	2025/03/15 23:59;00	BTI	14

1.4 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	**Meaning given to the abbreviation**
BCEA	Basic Conditions of Employment Act
BYP	Bypass
CIOID	Compensation for occupational injuries and diseases
CV	Control Valve
GO	General Overhaul
HP	High Pressure
HSSD	Half Station Shut Down
IN	Boiler Inspection

IR	Intermediate Repairs
IV	Isolating Valve
LP	Low Pressure
MGO	Mini General Overhaul
NEC	New Engineering Contract
NDT	Non-Destructive Testing
NRV	Non-Return Valve
MS	Microsoft
P	Pressure
SOW	Scope of Work
SUPL	Supply
TBA	To be advised

2 Management strategy and start up

2.1 Flexibility with the start of outages

1. The outage start date is stated on the Task Order
2. Movement to Outage dates can take place due to the country's demand for electricity
3. Any movement to Outage dates is to be communicated in writing by the Contract *Manager* at least 48 Hours before outage start. Notification of change to the outage date to the *Contractor* before 48 Hours to the outage start date will have no claims for compensation
4. A new Task Order is to be issued, which specifies the revised Outage start date as soon as the new start date is available
5. The *Contractor* will be entitled to claim actual accommodation, travel and staff expenses incurred if the *Contractor* receive notification of outage movement within 48 hours of the original start date as agreed upon in the latest Task Order revision

2.2 The *Contractor*'s plan for the *service*

The *Contractor* submits a program in MS Project / Primavera format (confirmation required upfront)
The program includes:

a. Activities
b. Durations in hours
c. Predecessors
d. Successors
e. Total float
f. No constraints (linking to be done properly)
g. No resources
h. No unnecessary calendars (remove all)
i. No empty lines

Daily feedback on progress required for duration of each task order program

The *Contractor* draws up a Quality Control Plan prior to commencement of the work, for approval by the *Employer*. The *Employer* and the *Contractor* agrees on hold and witness points.

The *Contractor* will need to arrange with the help of the site Contract *Manager* to do site induction two weeks
prior to the outage
start.

2.3 Management meetings

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

Title and purpose	**Approximate time & interval**	**Location**	**Attendance by:**
Risk register and compensation events	When need arises	Contract manager's Office	*Employer*, *Contractor*
Progress and feedback	Daily at 08:00 (15 Min duration)	Office	*Employer*, *Contractor* and Supervisors
Daily outage meeting	Daily at 09:30 (1Hour & 30 min duration)	Majuba Power Station, Production boardroom (U4 16m level)	Site Manager, System Engineer, Outage coordinator and Quality Inspectors
Safety meeting	Weekly on Wednesday at 14h00	Majuba Power Station Production boardroom (U4 16m level)	Safety Officer
Post mortem meeting	At task order completion	Majuba Power Station, Specific conference room TBA	Site Manager, System Engineer, Outage coordinator and Quality Inspectors
Scope clarification meetings	After scope freeze	Majuba Power Station, Specific conference room TBA	Site Manager, System Engineer, Outage coordinator and Quality Inspectors
Outage Kick-off meeting	Week before outage	Majuba Power Station,	Site Manager, Outage
Title and purpose	**Approximate time & interval**	**Location**	**Attendance by:**

		Specific conference room TBA	coordinator
Assessment meeting	At end of each outage	Majuba Power Station, Specific conference room TBA	Site Manager, Outage coordinator, *Service Manager*

2. Meetings of a specialist nature may be convened at times and locations to suit the Parties. Records of these meetings shall be submitted to the Contract *Manager* by the person convening the meeting within five days of the meeting.
3. 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 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.
4. Any safety and / or technical issues need to be communicated within 24 hours to the *Employer / Contract Manager*.

2.4 *Contractor*'s management, supervision and key people

The key persons are:

Key persons of *Contractor*				
Designation				
Name				
Experience				
Tel				

1. The *Contractor*'s Site Manager ensures that only competent persons be allowed to work on plant. The Contract *Manager* is entitled to verify the qualifications of the *Contractor*.
2. The *Contractor*'s supervisors must be knowledgeable about the conditions and scope of work contained in this contract and capable of executing the scope of work.
3. The *Employer* may, having stated reasons, instruct the *Contractor* to remove a key person. The *Contractor* then arranges that, after one day, the key person has no further connection with the work included in this contract.
4. The *Contractor* may not replace any of the key persons, without prior written request and approval thereof from the *Employer*.

2.5 Police clearance

1. All *Contractor* personnel to undertake Police clearance. Certificates to be provided to the *Service Manager* at least 2 weeks before commencement of work.
2. The *Service Manager* reserves the right to refuse entry to all persons whose criminal records indicate that their presence on site might create an unsafe and insecure environment to Majuba Power Station.
3. The following website can be used to guide the process. http://www.saps.gov.za/services/applying_clearence_certificate.php

2.6 Supplier Development and Localisation Requirements

2.6.1 Recruitment of General Labour

1. The *Contractor* recruits 100% of all new recruits, of general labour from Dr Pixley Ka Seme local municipality, using the recruitment form provided by the department of labour. Contact details and application forms will be provided by the *Service Manager* on request
2. In an event that new recruits are not from the defined Dr Pixley Ka Seme municipality, the *Contractor* needs to provide proof that the local municipality could not provide such individual.
3. The *Contractor* needs to update the *Employer* as well as the department of labour, in the event that there is a change in the staff compliment e.g. dismissal, resignation, etc.
4. The *Contractor* submits an updated monthly job statistics on the 1st day of each month, using the reporting template that is provided by the *Service Manager*.

2.6.2 Transporting of Staff

1. If the *Contractor* does not have his own transportation, the *Contractor* use transportation sourced from the Dr Pixley Ka Seme local taxi association. Contact details of the Chairpersons of the different associations will be provided by the *Service Manager* on request.

2.6.3 Small, Micro, Medium Enterprises

1. The *Contractor* supports local Small, Micro and Medium Enterprises by purchasing your material locally where such material is available

2.6.4 Supplier Development and Localisation Plan

"Local to site "means all areas that fall within the Dr Pixley Ka Seme Municipal area.

The *Contractor* is required

1. To provide a high level Supplier Development & Localisation implementation plan which stretches for the duration of the contract within one month after contract award.
2. To provide an explanation and action plan for deviation from the proposed plan.
3. The *Contractor* is required to procure general labour from Dr Pixley Ka Seme. Only skilled and professionals would be procured from outside of Dr Pixley Ka Seme Municipality Area.
4. The *Contractor* is also required to submit its Human Resource Plans indicating the number of new jobs that would be created or retained due to this project.
5. The Candidates for Skills Development would be sourced from Dr Pixley Ka Seme first, then Mpumalanga, before the rest of RSA.
6. The candidates may be developed directly by the supplier, through the suppliers' own supply network or through the SETA accredited training providers.
7. The *Contractor* submits proposals to the *Employer* for acceptance on how he will employ and train local labour in the following positions:

• Refer to the matrix in the SDL requirements document

2.7 Management of work done by Task Order

1. Task Orders are issued per outage one month prior to the start of an outage
2. The Task Order includes the scope of work for the specific outage.
3. A Task Order is the instruction to commence work.
4. No work shall commence until a Task Order is issued and has been finalised and accepted and signed by both the *Employer* and *Contractor.*
5. All work will be issued on a Task Order system. The Work Order, Purchase Requisition and Purchase Order will be created via the SAP PM system.
6. Task Orders are issued for all activities. Assessment of work will be conducted after work completion. Signed off QCP to be provided for assessments to be compiled by the *Service Manager*

2.8 Contract change management

1. The Contract *Manager* issues a Task order to the *Contractor* to authorise the execution of work.
2. In the event where it is identified that there is additional work to be done outside the scope of work on the Task Order, the *Contractor* will give the Contract *Manger* an early warning with a written quotation.
3. If agreed, the *Service Manager* issues a revised Task Order or additional Task Order.
4. The *Contractor* starts the work on the starting date of the task order.
5. The Task Order is signed by both the Contract *Manager* and the *Contractor* before work commences.

2.9 Low Service Damages

1. The low service damages will be applicable if the performance of one or more valves cause a load loss, either partial or total. The following process and damages will apply:
    a. The defect(s) will be reported to the *Contractor* as soon as the *Employer* becomes aware of the defect(s).
    b. An opportunity will be arranged by the *Employer* for the repair and the *Contractor* will be notified at least 24 hours in advance of the opportunity to repair the defect(s).
    c. If the inspection confirms that, the defect(s) is/are because of poor quality from the *Contractor*'s work performed, 5 % damage as per annexure A of the total value of task orders raised for that outage per day will apply, until the defect(s) is/are resolved. The

damages are capped at a maximum of 10% of the total of the task orders raised for that outage.

2. It is the *Contractor*'s responsibility to keep the Safety file up-to-date (audited on a monthly basis for the duration of the contract) to cater for short notice call-outs for defects
3. Refer to Appendix A for additional Low Service damages

2.10 Documentation control

1. The *Contractors* safety file will be hand over to the Contract *Manager* after each outage
2. All NEC standard forms should be used ex. Task orders, Early Warnings, Defect certificates and Assessments.
3. The *Contractor* is responsible to plan the supply of the documentation during the various project stages and to provide the documentation in accordance with the *Contractor* Document Submission Schedule (CDSS). A document is thus any written or pictorial information describing, defining, specifying or certifying activities, requirements, procedures or results.
4. The *Contractor* submits all documentation on a formal transmittal form to the *Service Manager.*
5. All manuals, documents, drawings and engineering documentation shall be presented in British English in both software and hardware.
6. All Communications will be filed and kept on site at all times as it is crucial to have the correct communication structures. These communication documents should at all times adhere to the NEC 3 Term Service Contract communication requirements.
7. Safety files to be submitted and approved before maintenance and outage work commence as per client requirements, two weeks in advance.
8. Planned Outage Scope of work to be issued to *Contractor* from the client five months in advance.
9. Budget quotation for outage work to be submitted one week after SOW submission/SOW clarification.
10. Compensation for Occupational Injuries and Diseases (COID) Certificate and letter of good standing must be valid at all times and submitted to the *Service Manager* at each anniversary of the contract
11. Two hard copies of a detailed report is submitted to the Service Manger, which contains general info on the condition of the valves, inspection reports on the condition of equipment and all refurbished / replaced components. An Electronic copy of all reports to be provided on CD/ Flash disk

***Contractor* Document Submission Schedule (CDSS)**

Document Name/Description	**Date/Time documents to be submitted**
A programme in MS Project or Primavera format as referred to document number (24085065548)	One week after receipt of Task Order
Baseline risk assessment	One week after receipt of Task Order
QCP's	One week after receipt of Task Order
Contractor's Safety file	Two weeks before start of work
Inspection report	24 hours after stripping/inspection activity
Daily progress report	After Every Shift
Technical report and data pack	Within 7 days of completion of the services
Safety file Audit	Every 30 days after approval of initial file until work for specific outage is complete.

2.11 Invoicing and payment

1. 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:

    - 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 Price for Work Done to Date which the Contractor has completed;
- 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)

2.The *Contractor* attaches the detail assessment of the amount due to each tax invoice showing the Price for Work Done to Date for each item in the Price List for work which he has completed. 3. The invoices can be submitted using emails to invoiceseskomlocal@eskom.co.za

4. To facilitate payment, the *Contractor* must ensure the following:

- Ensure that the Eskom order number is clearly indicated on your invoice together with the line number on the order you are billing for.
- All Electronic invoices must be sent in PDF format only.
- Each PDF file should contain one invoice; or one debit note; or one credit note only as Eskom's SAP System does not support more than one PDF being linked into workflow at a time.
- Your E-mail may contain more than one PDF file (e.g. 2 invoices on 2 separate PDF files in one e-mail)
- For Foreign invoices, suppliers will still be required to physically deliver hard copies of original documents to the respective documentation management centers even though you have e-mailed those invoices
- A PDF file that was created directly from a System meets the definition of original document and is allowed (including saving documents from excel to PDF, word to PDF etc.)
- An Invoice that was printed and then scanned to PDF by the Vendor is not acceptable as this is not an original tax invoice by SARS definition but a copy.
- The following wording needs to appear on the invoice: "Your invoice is encrypted in order to comply with SARS requirements that invoices and statements sent electronically are tamperproof."
- If there is Cost Price Adjustment (CPA) on your invoice, it is recommend that the Contractor issue a separate invoice for CPA so that if there are any issues on the CPA the rest of the invoice can be paid while resolving the CPA issues.
- You do not require a goods receipt (GR) number to submit your invoices. When the GR number is received, you can then send the GR number to the FSS contact center at FSS@eskom.co.za or 011 800 5060.
- All queries and follow up on invoice payments should made by contacting the FSS Contact Centre: Tel: 011 800 5060

5. Payment will be made within 30 Days after receipt of an acceptable invoice at the address stated in the order and the acceptance of the goods by Eskom. Payments are made on Friday's only.

6. If CPA is applicable, the contract manager and the *Contractor* must confirm the increase/decrease with the QS department BEFORE the revised prices are stated on the

Invoice. The QS and Contract Manager must confirm the escalation with the Financial Department before it may be implemented.

7. It is important that the value stated on the Invoice must be the same as the value stated on the order. If the Invoice value is different from the Order value payment of the invoice will be delayed. It is strongly recommended that if there are any discrepancies on the Invoice, it be rectified with the Buyer BEFORE it is submitted for payment.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

The *Contractor* complies with the health and safety requirements contained in the General Works Information.

3.2 Environmental constraints and management

The *Contractor* complies with the environmental requirements contained in the General Works Information.

3.3 Quality assurance requirements

The *Contractor* complies with the quality requirements contained in the General Works Information.

4 Procurement

4.1 Minimum requirements of people employed

1. All Semi-skilled personnel are in possession of valid grade 10 certificates or NQ4.
2. All Artisans are both qualified and in possession of a valid trade test certificate or in possession of a competency certificate issued by the OEM. 2 years minimum experience required.
3. All Supervisors are qualified and in possession of a valid diploma, and must have undergone supervisory training from a reputable institution. 2 years minimum experience required.
4. All project managers, site managers and project leaders must have undergone training in contracts management (e.g. NEC3), any technical discipline (e.g. construction, civil, mechanical, electrical, C&I), managerial course (e.g. project management, etc.) from reputable institutions. 2 years minimum experience required.
5. The *Contractor* will provide trained personnel for the implementation of all work.
6. The *Contractor* remunerates his employees at not less than the proclaimed statutory wage (Minimum Wages Act). Failure in this regard will result in non-performance and therefore immediate termination of the contract.

In order to fully evaluate a tender, the *Contractor* is to submit an organogram, which is to include the relevant skills levels.

According to the SKILLS DEVELOPMENT ACT 97 OF 1998, the following definition for artisans and trades are emphasised:

- **artisan** means a person that has been certified as competent to perform a listed trade in accordance with this Act. (Definition of “artisan” inserted by section 1(a) of Act 37 of 2008)
- **trade** means an occupation for which an artisan qualification is required in terms of section 26B. (section 1(i) of Act 37 of 2008)

Section 26C section 2 (a) states the following – “No person, whether employed or self-employed, may hold themselves out to be qualified as an artisan in a listed trade unless that person is registered as an artisan in terms of subsection (1)”

With reference to the Act, all personnel are adequately qualified for the task to be performed. Qualifications of all staff to be submitted to the Service Manger two weeks prior to commencement of work and approval of qualifications of staff to be granted within one week of receipt of qualifications.

The *Contractor* submits requests to change any pre-approved staff together with proof of qualifications for approval prior to changing the staff.

4.1.1 Responsible an appointed Supervisor

Contractor to have a Responsible person (RP) who will be responsible for permits when required. Contractor must also have an Appointed supervisor on site when RP are off site for the day.

4.1.2 Key Competencies and Experience

4.1.2.1 Supervisors and/or Project Managers/Supervisors:

1. Capability to read and interpret drawings.
2. Ability to read and understand scopes of work.
3. Technically competent on the use Microsoft Packages (excel, outlook, Microsoft word). Proof of training required.
4. Knowledge of how to generate inspection/ refurbishment reports.
5. Maintain high standards despite pressing deadlines.
6. Demonstrates knowledge of Valve refurbishment, skills, equipment and procedures.
7. Is alert in a high-risk environment; follows detailed procedures and ensures accuracy in documentation and data
8. At least 2 years valve refurbishment and Supervisory/Project management experience
9. OEM intellectual information.

4.1.2.2 Welders

1. Ability to use/operate the required equipment/tools 2.
Maintain high standards despite pressing deadlines.
3. At least 2 years welding experience
4. Welder qualifications

4.1.2.3 Semi-Skilled

1. At least 1 year valve refurbishment experience

4.2 Subcontracting

4.2.1 Preferred subcontractors

All subcontractors need to be approved by the *Service Manager* before the subcontractor gets to site.

4.2.2 Subcontract documentation, and assessment of subcontract tenders

The *Contractor* prepares subcontract documentation. The use of the NEC system is recommended on how subcontract tenders are to be issued, received, assessed and awarded.

4.2.3 Skills Development

The *Contractor* complies with the skills development requirements contained in the SDL requirements section.

4.3 Plant and Materials

4.3.1 Specifications

All materials used are as per the OEM specifications. It is the *Contractor's* responsibility to have the information available, if verifications need to be made.

4.3.2 Correction of defects

Refer to 2.9 Low Service Damages on page number 12

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

1. Scaffolding, lagging removal and replacement of lagging will be provided by the *Employer*.
2. Any equipment and / or plant related instruments that might obscure the work are of the *Contractor* needs to be carefully removed with the help of the *Employer*, no equipment / instruments must be removed without the consent of the *Employer*.

4.3.4 Contractor's procurement of Plant and Materials

1. All soft spare kits are supplied by the *Contractor*.
2. All tools and equipment used to refurbish the plant are supplied by the *Contractor*.

5 Working on the Affected Property

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

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

1. The Contractors Safety file is to be approved by the *Employer*'s Safety department.
2. All personnel must undergo screening for Criminal records and outstanding warrants
3. Site-specific induction is to be done by all personnel and needs to be arranged two weeks prior to the outage start.
4. Refer to the General Works information

5.1.1 Permits

1. The *Contractor* will ensure that he/she is informed of all the requirements of Eskom's Plant Safety Regulations and ORHVS and that he/she at all times comply to the requirements of these Regulations.
2. The *Contractor* provides Authorised Supervisor(s) in terms of the Plant Safety Regulations.
3. The *Contractor* trains enough staff to cover for leave periods as well as night shifts, if required. Training will be provided by Eskom Majuba and is done according to a schedule, thus arrangements need to be made with the *Service Manager* well in advance.
4. At least two supervisors should be authorised within 3 months of contract award.

5.2 People restrictions, hours of work, conduct and records

5.2.1 Time Clocking

1. The *Contractor* uses a biometric time clocking system.
2. No clocking will result in non-payment of hourly based, accommodation and travelling expenses.
3. If a person clocked in but not out or did not clock in, but clocked out, the person will not receive payment for that specific day.
4. Proof of clocking to be submitted to the *Employer* from files directly generated from the clocking system (no manual intervention)

5.2.2 Hours of work

1. Normal Eskom working hours are:
    a. Monday to Thursday **07:30 - 16:45**
    b. Fridays **07:30 - 12:30**
2. Outage working hours are :
    a. Monday to Friday **07:00 - 19:00 or as required by the SOW**
    b. Saturday to Sunday **07:00 – 19:00 or as required by the SOW**
3. Overtime rules are adhered to as determined by the Department of Manpower.

4. All Timesheets are to be kept for records purposes i.e. man-hours worked safely etc.
5. Other hours will be determined as per critical path activities during outages/breakdowns.
6. Daily time sheet must be kept up to date of normal and overtime worked at all times.
7. All overtime worked must comply with Eskom rest period requirements.

5.3 Records of *Contractor*'s Equipment

1. The *Contractor* to declare all equipment and tools via a pre-set up list at the main entrance, where removal permit will be issued by Security personnel.
2. *Contractor* need to have a list of inventory of their equipment on site. Proof of site entrance needs to be provided before equipment can be removed from site.

5.4 Equipment provided by the *Employer*

1. Overhead cranes and Hoists are situated in certain areas in the plant and available should the *Contractor* require to use them.
2. The *Employer* is entitled to withdraw use of the said Equipment, should proper care not be ensured.

5.5 Site services and facilities

5.5.1 Provided by the Employer

1. Toilets at the four corners of the power station
2. Power points where available, own cables to be routed
3. Water points, where available
4. Compressed air (Service air), where available
5. NDT services, to be pre-arranged with the *Service Manager*
6. Site establishment area.
7. Scaffolding.

5.5.2 Provided by the Contractor

1. Containers, for dressing rooms, office and dining
2. Tools, equipment and consumables
3. Portable 380V electrical distribution boards, and supply cables to and from the boards for all his power supply requirements to execute the services.
    a. *Contractor*s' Electrical Distribution Boards complies with OHSA as referred to in the Electrical Installation Regulations and the Electrical Machinery Regulations. Each board brought on site has a certificate of compliance issued by an accredited person.
    b. The *Contractor*s' Electrical Distribution Boards must be installed at a time negotiated with the Electrical Maintenance Manager, or prior to the possession date. Distribution boards will be connected to a 380V three phase AC power supply by the *Employer*, only after the *Contractor* has submitted the valid certificate of compliance.
    c. All *Contractor*s' Electrical Distribution Boards are earthed to the steel structure of the plant.
4. Accommodation
5. Transport
6. Office furniture, equipment and stationary
7. Meals. The *Contractor* or any of his employees or subcontractors may buy take away meals from the fast food outlet on site, if available.
8. Telecommunications
9. Everything else necessary for providing the Service.

6 List of drawings

6.1 Drawings issued by the *Employer*

All relevant drawings are available on request from the Majuba Documentation Centre.

Annexure A: Table of low service damages (X17)

Low Service Damage Description	Value of Low Service Damages	Limit of Low Service Damage
Service delaying the Outage Critical Path agreed schedule (Delaying other *Contractor*(starting/completing their work)	0.5% per total value of the Task orders for the outage per day	Limited to 10% of the total value of the Task Order(s) for the outage
Service delays not finishing as per agreed upon project plan submitted and approved by the *Service Manager*	0.5% per total value of the Task orders for the outage per day	Limited to 10% of the total value of the Task Order(s) for the outage
Submission of documents not as per agreed upon Contract Document Submittal Schedule in this service agreement	0.25% per total value of the Task orders for the outage per day	Limited to 10% of the total value of the Task Order(s) for the outage
Non-response of NCR within 3 days	0.25% per total value of the Task orders for the outage day	Limited to 10% of the total value of the Task Order(s) for the outage
Handover of completed data book per outage within 7 days from outage completion.	0.25% per total value of the Task orders for the outage day	Limited to 10% of the total value of the Task Order(s) for the outage
Personnel not adequately qualified as per 4 Procurement	0.25% per total value of the Task orders for the outag per day	Limited to 10% of the total value of the Task Order(s) for the outage
Defect(s) is/are because of poor quality from the *Contractor's* work performed as per paragraph 2.9	0.5% per total value of the Task orders for the outage per day	Limited to 10% of the total value of the Task Order(s) for the outage

Annexure B:

Table 1: Turbine Plant refurbishment valves list

Feedwater system

KKS Number	Size (mm)	Temp(DegC)	Design Pressure	Description	Manufacturer
0LAB10AA502	300NB	160	29 MPa	BFP 10 Discharge Valve Non return Valve	Hopkinsons
0LAB20AA502	300NB	160	29 MPa	BFP 20 Discharge Valve Non return Valve	Hopkinsons
0LAB30AA502	300NB	160	29 MPa	BFP 30 Discharge Valve Non return Valve	Hopkinsons
0LAB10AA101					

Turbine Auxiliaries

KKS Number	Size (mm)	Temp(DegC)	Design Pressure	Description	Manufacturer