



# NEC3 Engineering & Construction Contract

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

and .....

(Reg No. ....)

for Provision of Major and Minor Reticulation within Distribution, including the installation of smart meters, re-closers and voltage regulators within Distribution Gemma Cluster-Northern Cape on an “as and when” required basis over a period of four (4) years

---

<b>Contents:</b>	<b>No of pages</b>
Part C1 Agreements & Contract Data	[•]
Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]
Part C4 Site Information	[•]

---

CONTRACT No. ....

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

## Part C1: Agreements & Contract

---

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

---

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

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 Major and Minor Reticulation within Distribution, including the installation of smart meters, re-closers and voltage regulators within Distribution Gemma Cluster-Northern Cape on an "as and when" required basis over a period of four (4) 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.

Option B	The offered total of the Prices exclusive of VAT is	<b>Rate based Contract</b>
	Sub total	<b>Rate based Contract</b>
	Value Added Tax @ 15% is	<b>Rate based Contract</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>Rate based Contract</b>
	(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:**

\_\_\_\_\_  
*(Insert name and address of organisation)*

Name & signature of witness

Date

Tenderer's CIDB registration number (if applicable)

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

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**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: Works Information
- Part C4            Site 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 original copy signed between them of this document, including the Schedule of Deviations (if any).

Unless the tenderer (now *Contractor*) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s) \_\_\_\_\_

Capacity \_\_\_\_\_

**for the Employer**

\_\_\_\_\_  
*(Insert name and address of organisation)*

Name & signature of witness

Date

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

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**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.

	<b>For the tenderer:</b>	<b>For the Employer</b>
Signature	.....	.....
Name	.....	.....
Capacity	.....	.....
On behalf of	<i>(Insert name and address of organisation)</i>	<i>(Insert name and address of organisation)</i>
Name & signature of witness	.....	.....
Date	.....	.....

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

C1.2 ECC3 Contract Data

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
	dispute resolution Option and secondary Options	<p><b>B: Priced contract with bill of quantities</b></p> <p><b>W1: Dispute resolution procedure</b></p> <p><b>X1: Price adjustment for inflation</b></p> <p><b>X2 Changes in the law</b></p> <p><b>X5: Sectional Completion</b></p> <p><b>X7: Delay damages</b></p> <p><b>X18: Limitation of liability</b></p> <p><b>Z: Additional conditions of contract</b></p>
	of the NEC3 Engineering and Construction Contract, April 2013 (ECC3)	
10.1	The <i>Employer</i> is (Name):	<b>Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>
10.1	The <i>Project Manager</i> is: (Name)	<b>Vuyisile Peter</b>
	Address	<b>80 Bultfontein Rd, New Park, Kimberley 8301</b>
	Tel	<b>+27 53 830 5464</b> <b>+27 83 773 5388</b>
	Fax	<b>+27 86 668 2164</b>
	e-mail	<a href="mailto:Vuyisile.Peter@eskom.co.za">Vuyisile.Peter@eskom.co.za</a>
11.2(13)	The <i>works</i> are	<b>Provision of Major and Minor Reticulation within Distribution, including the installation of smart meters, re-closers and voltage regulators within Distribution Gemma Cluster-Northern Cape on an "as and when" required</b>

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**basis over a period of four (4) years**

11.2(14)	The following matters will be included in the Risk Register	<b>As indicated in the Task Order</b>	
11.2(15)	The <i>boundaries of the site</i> are	<b>As indicated in the Task Order</b>	
11.2(16)	The Site Information is in	<b>As indicated in the Task Order</b>	
11.2(19)	The Works Information is in	<b>As indicated in the Task Order</b>	
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>	
13.1	The <i>language of this contract</i> is	<b>English</b>	
13.3	The <i>period for reply</i> is	<b>1 week</b>	
<b>2</b>	<b>The Contractor's main responsibilities</b>	<b>Data required by this section of the core clauses is provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.</b>	
<b>3</b>	<b>Time</b>		
11.2(3)	The <i>completion date</i> for the whole of the works is	<b>48 months from start date</b>	
11.2(9)	The <i>key dates</i> and the <i>conditions</i> to be met are:	<b>Condition to be met</b>	<b>key date</b>
		1 Any key date and conditions will be specified in the task Order for nay project executed in terms of this contract	As indicated in the Task Order
30.1	The <i>access dates</i> are:	<b>Part of the Site</b>	<b>Date</b>
		1 As per Task Order	As indicated in the Task Order
31.1	The Contractor is to submit a first programme for acceptance within	<b>One week of the issue of a Task Order.</b>	
31.2	The <i>starting date</i> is	<b>As soon as contract is concluded.</b>	
32.2	The Contractor submits revised programmes at intervals no longer than	<b>Weekly and prior to assessment of payment.</b>	
<b>4</b>	<b>Testing and Defects</b>		
42.2	The <i>defects date</i> is	<b>52 weeks after Completion of the whole of the works per project or section thereof if sectional completion is applicable</b>	
43.2	The <i>defect correction period</i> is	<b>Within 1 week upon notification of a defect</b>	
	except that the <i>defect correction period</i> for	<b>Where outages are required, within the scheduled outage period.</b>	

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

	and the <i>defect correction period</i> for	<b>Critical circumstances, twelve hours.</b>
<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>between the 25th day of each successive month.</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand.</b>
51.2	The period within which payments are made is	<b>Within 30 days of submission to finance shared services of a tax compliant invoice reflecting the amount certified for payment.</b>
51.4	The <i>interest rate</i> is	<p><b>the publicly quoted prime rate of interest (calculated on a 365 day year) charged 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</b></p> <p><b>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.</b></p>
<b>6</b>	<b>Compensation events</b>	
60.1(13)	<p>The place where weather is to be recorded is:</p> <p>The <i>weather measurements</i> to be recorded for each calendar month are,</p> <p>The <i>weather measurements</i> are supplied</p>	<p><b>The boundaries of the site</b></p> <p><b>the cumulative rainfall (mm)</b></p> <p><b>the number of days with rainfall more than 10 mm</b></p> <p><b>the number of days with minimum air temperature less than 0 degrees Celsius</b></p> <p><b>the number of days with snow lying at 09:00 hours South African Time</b></p> <p><b>and these measurements:</b></p> <p><b>The contractor using actual weather readings</b></p>

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

by

**from boundaries of the site.**

The *weather data* are the records of past *weather measurements* for each calendar month which were recorded at:

**The nearest weather station of the South African Weather Service to the boundaries of the site.**

and which are available from:

**the South African Weather Bureau and included in Annexure A to this Contract Data provided by the *Employer***

60.1(13)	Assumed values for the ten year return <i>weather data</i> for each <i>weather measurement</i> for each calendar month are:	<b>As stated in Annexure A to this Contract Data provided by the <i>Employer</i>.</b>  <b>Note: If this arrangement is used, delete the rows above for 60.1(13) and delete this note.</b>
<b>7</b>	<b>Title</b>	<b>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.</b>
<b>8</b>	<b>Risks and insurance</b>	
80.1	These are additional <i>Employer's</i> risks	<b>1. As Indicated in the Task Order 2. As Indicated in the Task Order 3. As Indicated in the Task Order</b>
<b>9</b>	<b>Termination</b>	<b>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.</b>
<b>10</b>	<b>Data for main Option clause</b>	
<b>B</b>	<b>Priced contract with bill of quantities</b>	
60.6	The <i>method of measurement</i> is	<b>as stated in Part C2.1, Pricing Assumptions.</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i> is	<b>the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a>). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).</b>
W1.2(3)	The <i>Adjudicator nominating body</i> is:	<b>the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the London Institution of Civil Engineers. (See <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ) or its successor body.</b>
W1.4(2)	The <i>tribunal</i> is:	<b>arbitration.</b>
W1.4(5)	The <i>arbitration procedure</i> is	<b>the latest edition of Rules for the Conduct of</b>

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

	<p>The place where arbitration is to be held is</p> <p>The person or organisation who will choose an arbitrator</p> <ul style="list-style-type: none"> <li>- if the Parties cannot agree a choice or</li> <li>- if the arbitration procedure does not state who selects an arbitrator, is</li> </ul>	<p><b>Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</b></p> <p><b>Johannesburg South Africa</b></p> <p><b>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</b></p>																		
<b>12</b>	<b>Data for secondary Option clauses</b>																			
<b>X1</b>	<b>Price adjustment for inflation</b>	<p>The rates provided in the Pricing Data will apply for the first 12 months after the base date.</p> <p>Price fluctuations may result in an increase or decrease in the rates provided in the Pricing Data.</p>																		
X1.1(a)	The <i>base date</i> for indices is	<p>The base date for indices <b>is (a month before the month in which the enquiry closed)</b>, from the anniversary date of base date, the rates will be adjusted for inflation using the relevant tables published by the Department of Labour.</p>																		
X1.1(c)	The proportions used to calculate the Price Adjustment Factor are:	<table border="1"> <thead> <tr> <th>proportion</th> <th>linked to index for</th> <th>Index prepared by</th> </tr> </thead> <tbody> <tr> <td>60% Labour rates</td> <td>Table C-3</td> <td>SEIFSA Table</td> </tr> <tr> <td>15% Transport rates</td> <td>Table L-1</td> <td>SEIFSA Table</td> </tr> <tr> <td>10% Material rates</td> <td>Table D</td> <td>SEIFSA Table</td> </tr> <tr> <td>15%</td> <td>non-adjustable</td> <td></td> </tr> <tr> <td>Total</td> <td>1.00</td> <td></td> </tr> </tbody> </table>	proportion	linked to index for	Index prepared by	60% Labour rates	Table C-3	SEIFSA Table	15% Transport rates	Table L-1	SEIFSA Table	10% Material rates	Table D	SEIFSA Table	15%	non-adjustable		Total	1.00	
proportion	linked to index for	Index prepared by																		
60% Labour rates	Table C-3	SEIFSA Table																		
15% Transport rates	Table L-1	SEIFSA Table																		
10% Material rates	Table D	SEIFSA Table																		
15%	non-adjustable																			
Total	1.00																			
<b>X2</b>	<b>Changes in the law</b>	<p>There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.</p>																		
<b>X5</b>	<b>Sectional Completion</b>																			
X5.1	The <i>completion date</i> for each <i>section</i> of the <i>works</i> is:	<table border="1"> <thead> <tr> <th>Section</th> <th>Description</th> <th>Completion date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>As indicated in the Task Order</td> <td>As indicated in the Task Order</td> </tr> <tr> <td>2</td> <td>As indicated in the Task Order</td> <td>As indicated in the Task Order</td> </tr> <tr> <td>3</td> <td>As Indicated in the task Order</td> <td>As indicated in the task Order</td> </tr> </tbody> </table>	Section	Description	Completion date	1	As indicated in the Task Order	As indicated in the Task Order	2	As indicated in the Task Order	As indicated in the Task Order	3	As Indicated in the task Order	As indicated in the task Order						
Section	Description	Completion date																		
1	As indicated in the Task Order	As indicated in the Task Order																		
2	As indicated in the Task Order	As indicated in the Task Order																		
3	As Indicated in the task Order	As indicated in the task Order																		

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

<b>X5 &amp; X7</b>	<b>Sectional Completion and delay damages used together</b>	<b>Delay damages is R1000.00 per day per delay up to Maximum of 10% of the Purchase / Task Order value.</b>
<b>X18</b>	<b>Limitation of liability</b>	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to:	<b>R0.0 (zero Rand)</b>
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to:	<b>the amount of the deductibles relevant to the event</b>
X18.3	The <i>Contractor's</i> liability for Defects due to his design which are not listed on the Defects Certificate is limited to	<p><b>the total of the Prices other than for the additional excluded matters.</b></p> <p><b>The Contractor's total liability for the additional excluded matters is not limited.</b></p> <p><b>The additional excluded matters are amounts for which the Contractor is liable under this contract for</b></p> <ul style="list-style-type: none"> <li>• Defects due to his design, plan and specification,</li> <li>• Defects due to manufacture and fabrication outside the Affected Property,</li> <li>• loss of or damage to property (other than the Employer's property, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• • infringement of an intellectual property right.</li> </ul>
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> for all matters arising under or in connection with this contract, other than excluded matters, is limited to:	<p><b>the total of the Prices other than for the additional excluded matters.</b></p> <p><b>The Contractor's total liability for the additional excluded matters is not limited.</b></p> <p><b>The additional excluded matters are amounts for which the Contractor is liable under this contract for</b></p> <ul style="list-style-type: none"> <li>• Defects due to his design which arise before the Defects Certificate is issued,</li> <li>• Defects due to manufacture and fabrication outside the Site,</li> <li>• loss of or damage to property (other than the <i>works</i>, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• infringement of an intellectual property right.</li> </ul>
X18.5	The <i>end of liability date</i> is	<p><b>(i) 5 years after the defects date for latent Defects and</b></p> <p><b>(ii) the date on which the liability in question</b></p>

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**prescribes in accordance with the Prescription Act No. 68 of 1969 (as amended or in terms of any replacement legislation) for any other matter.**

**A latent Defect is a Defect which would not have been discovered on reasonable inspection by the Employer or the Supervisor before the defects date, without requiring any inspection not ordinarily carried out by the Employer or the Supervisor during that period. If the Employer or the supervisor do undertake any inspection over and above the reasonable inspection, this does not place a greater responsibility on the Employer or the Supervisor to have discovered the Defect.**

<b>Z</b>	<b>The <i>Additional conditions of contract</i> are</b>	<b>Z1 to Z15 always apply.</b>
<b>Z1</b>	<b>Cession delegation and assignment</b>	
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.	
<b>Z2</b>	<b>Joint ventures</b>	
Z2.1	If the <i>Contractor</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the <i>Employer</i> for the performance of this contract.	
Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Project Manager</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Contractor</i> on their behalf.	
Z2.3	The <i>Contractor</i> does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Contractor</i> in writing.	
<b>Z3</b>	<b>Change of Broad Based Black Economic Empowerment (B-BBEE) status</b>	
Z3.1	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.	
Z3.2	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>Project Manager</i> within thirty days of the notification or as otherwise instructed by the <i>Project Manager</i> .	
Z3.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i>	

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

obligation to Provide the Works.

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 P3 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 *Project 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 *works* or any portion thereof, in the course of Providing the Works and after Completion, requires the prior written consent of the *Project 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 *Project Manager*, the *Supervisor*, 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 *works*. 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 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 *works*; and

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

- undertakes, in and about the execution of the *works*, 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 *works*, 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 *Project 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 Works 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 from the last sentence in core clause 61.3, "unless the *Project Manager* should have notified the event to the *Contractor* but did not".

**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 83.1 is provided for in 60.1(14) and the *Employer's* liability under the indemnity is limited.

**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 Addition to secondary Option X7 Delay damages (if applicable in this contract)**

Z11.1 If the amount due for the *Contractor's* payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the *Employer* may terminate the *Contractor's* obligation to Provide the Works using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**Z12 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 Subcontractor 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.

- Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z12.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.
- Z12.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
- Z12.4 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.

**Z13 Insurance**

**Z 13.1 Replace core clause 84 with the following:**

**Insurance cover**

**84**

**84.1** When requested by a Party, the other Party provides certificates from his

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

insurer or broker stating that the insurances required by this contract are in force.

**84.2** The *Contractor* provides the insurances stated in the Insurance Table A.

**84.3** The insurances provide cover for events which are at the *Contractor's* risk from the *starting date* until the earlier of Completion and the date of the termination certificate.

**INSURANCE TABLE A**

<b>Insurance against</b>	<b>Minimum amount of cover minimum limit of indemnity</b>
Loss of or damage to the <i>works</i> , Plant and Materials	The replacement cost where covered by the <i>Employer's</i> insurar  The <i>Employer's</i> policy deductible, at Contract Date, where covered the <i>Employer's</i> insurance
Loss of or damage to Equipment	The replacement cost
Liability for loss of or damage to property (except the <i>works</i> , Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i> ) caused by activity in connection with this contract	<b><u>Loss of or damage to property</u></b> <b><u>Employer's property</u></b> The replacement cost where covered by the <i>Employer's</i> insurar  The <i>Employer's</i> policy deductible, at Contract Date, where covered the <i>Employer's</i> insurance  <b><u>Other property</u></b> The replacement cost  <b><u>Bodily injury to or death of person</u></b> The amount required by applica law
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by applicable law

**Z 13.2**

**Replace core clause 87 with the following:**

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

**INSURANCE TABLE B**

<b>Insurance against or name of policy</b>	<b>Minimum amount of cover or minimum of indemnity</b>
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

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

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

**Z14 Nuclear Liability**

- Z14.1 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.
- Z14.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z14.3 Subject to clause Z14.4 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*.
- Z14.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

**Z15 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.

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

- 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.
- Z15.1 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.
- Z15.2 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 Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z15.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z15.4 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.
- Z15.5 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.
- Z15.6 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.
- Z15.7 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.

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**Annexure A: One-in-ten-year-return *weather data* obtained from SA Weather Bureau for [weather station]**

If any one of these *weather measurements* recorded within a calendar month, before the Completion Date for the whole of the *works* and at the place stated in this Contract Data is shown to be more adverse than the amount stated below then the *Contractor* may notify a compensation event.

	<i>Weather measurement</i>				
Month	Cumulative rainfall (mm)	Number of days with rain more than 10mm	Number of days with min air temp < 0 deg.C	Number of days with snow lying at 08:00 CAT	[Other measurements if applicable]
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					

Only the difference between the more adverse recorded weather and the equivalent measurement given above is taken into account in assessing a compensation event.

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

## 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. If not required select and delete the whole row, otherwise insert the required Data.]

**Notes to a tendering contractor:**

1. Please read both the NEC3 Engineering and Construction Contract (April 2013) and the relevant parts of its Guidance Notes (ECC3-GN)<sup>2</sup> 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 pages 156 to 158 of the ECC3 (April 2013) Guidance Notes.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	% %
11.2(18)	The <i>working areas</i> are the Site and	
24.1	The <i>Contractor's</i> key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job Responsibilities:	

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009 or see [www.ecs.co.za](http://www.ecs.co.za)

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

	<p>Qualifications:</p> <p>Experience:</p>	<p><b>CV's (and further key persons data including CVs) are appended to Tender Schedule entitled</b></p>		
11.2(3)	The <i>completion date</i> for the whole of the <i>works</i> is			
11.2(14)	The following matters will be included in the Risk Register			
11.2(19)	The Works Information for the <i>Contractor's</i> design is in:			
31.1	The programme identified in the Contract Data is			
<b>B</b>	<b>Priced contract with bill of quantities</b>			
11.2(21)	The <i>bill of quantities</i> is in			
11.2(31)	The tendered total of the Prices is	<p><b>(in figures)</b></p> <p><b>(in words), excluding VAT</b></p>		
	<b>Data for Schedules of Cost Components</b>	<p><i>Note "SCC" means Schedule of Cost Components starting on page 60, and "SSCC" means Shorter Schedule of Cost Components starting on page 63 of ECC3 (April 2013).</i></p>		
<b>B</b>	<b>Priced contract with bill of quantities</b>	<b>Data for the Shorter Schedule of Cost Components</b>		
41 in SSCC	The percentage for people overheads is:			
21 in SSCC	<p>The published list of Equipment is the last edition of the list published by</p> <p>The percentage for adjustment for Equipment in the published list is</p>	<b>Minus %</b>		
22 in SSCC	The rates of other Equipment are:	<b>Equipment</b>	<b>Size or capacity</b>	<b>Rate</b>
61 in SSCC	<p>The hourly rates for Defined Cost of design outside the Working Areas are</p> <p><b>Note: Hourly rates are estimated 'cost to company of the employee' and not selling rates.</b></p>	<b>Category of employee</b>	<b>Hourly rate</b>	

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

62 in SSCC	<p><b>Please insert another schedule if foreign resources may also be used</b></p> <p>The percentage for design overheads is</p>	%
63 in SSCC	<p>The categories of design employees whose travelling expenses to and from the Working Areas are included in Defined Cost are:</p>	

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

## **PART 2: PRICING DATA**

### **ECC3 Option B**

<b>Document reference</b>	<b>Title</b>	<b>No of pages</b>
C2.1	Pricing assumptions: Option B	
C2.2	The <i>bill of quantities</i>	

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

## C2.1 Pricing assumptions: Option B

### How work is priced and assessed for payment

Clause 11 in NEC3 Engineering and Construction Contract (ECC3) Option B states:

<b>Identified and defined terms</b>	11 11.2	<p>(21) The Bill of Quantities is the <i>bill of quantities</i> as changed in accordance with this contract to accommodate implemented compensation events and for accepted quotations for acceleration.</p> <p>(28) The Price for Work Done to Date is the total of</p> <ul style="list-style-type: none"> <li>• the quantity of the work which the <i>Contractor</i> has completed for each item in the Bill of Quantities multiplied by the rate and</li> <li>• a proportion of each lump sum which is the proportion of the work covered by the item which the <i>Contractor</i> has completed.</li> </ul> <p>Completed work is work without Defects which would either delay or be covered by immediately following work.</p> <p>(31) The Prices are the lump sums and the amounts obtained by multiplying the rates by the quantities for the items in the Bill of Quantities.</p>
-------------------------------------	------------	--

This confirms that Option B is a re-measurement contract and the bill comprises only items measured using quantities and rates or stated as lump sums. Value related items are not used. Time related items are items measured using rates where the rate is a unit of time.

### Function of the Bill of Quantities

Clause 55.1 in Option B states, "Information in the Bill of Quantities is not Works Information or Site Information". This confirms that specifications and descriptions of the work or any constraints on how it is to be done are not included in the Bill, but in the Works Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Works in accordance with the Works Information". Hence the *Contractor* does **not** Provide the Works in accordance with the Bill of Quantities. The Bill of Quantities is only a pricing document.

### Guidance before pricing and measuring

Employers preparing tenders or contract documents, and tendering contractors are advised to consult the sections dealing with the bill of quantities in the NEC3 Engineering and Construction Contract Guidance Notes before preparing the *bill of quantities* or before entering rates and lump sums into the *bill*.

There is no general provision in Option B for payment for materials on Site before incorporation into the *works*. If secondary Option X14 Advanced payment has not been used then the tendering contractor may obtain the same effect by inserting appropriate items in the method related charges where the *method of measurement* allows, or alternatively making allowance in the rates of the *bill of quantities* for the financing of Plant and Materials until they are incorporated in the *works*.

When compensation events arise, the default position is that the Bill of Quantities is not used to calculate the cost effect of the event. Defined Cost and the resulting Fee is used and Defined Cost includes all components of cost which the *Contractor* is likely to incur, including so called P & G items. Rates and

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

lump sums from the Bill of Quantities, or from any other source, may be used instead of Defined Cost and the Fee only if the *Contractor* and *Project Manager* agree. If they are unable to agree, then Defined Cost plus Fee is used.

## Measurement and payment

### Symbols

The units of measurement described in the Bill of Quantities are metric units abbreviated as follows:

Abbreviation	Unit
%	percent
h	hour
ha	hectare
kg	kilogram
kl	kilolitre
km	kilometre
km-pass	kilometre-pass
kPa	kilopascal
kW	kilowatt
l	litre
m	metre
mm	millimetre
m <sup>2</sup>	square metre
m <sup>2</sup> -pass	square metre pass
m <sup>3</sup>	cubic metre
m <sup>3</sup> -km	cubic metre-kilometre
MN	meganewton
MN.m	meganewton-metre
MPa	megapascal
No.	number
sum	Lump sum
t	tonne (1000kg)

### General assumptions

Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance has been made in the quantities for waste.

The Prices and rates stated for each item in the Bill of Quantities shall be treated as being fully inclusive of all work, risks, liabilities, obligations, overheads, profit and everything necessary as incurred or required by the *Contractor* in carrying out or providing that item.

An item against which no Price is entered will be treated as covered by other Prices or rates in the *bill of quantities*.

The quantities contained in the Bill of Quantities may not be final and do not necessarily represent the actual amount of work to be done. The quantities of work assessed and certified for payment by the *Project Manager* at each assessment date will be used for determining payments due.

MAJOR AND MINOR RETICULATION WITHIN DISTRIBUTION, INCLUDING THE INSTALLATION OF SMART METERS, RE-CLOSERS AND VOLTAGE REGULATORS WITHIN DISTRIBUTION GEMMA CLUSTER ON AN "AS AND WHEN" REQUIRED BASIS OVER A PERIOD OF FOUR (4) YEARS

**The short descriptions of the items of payment given in the *bill of quantities* are only for the purposes of identifying the items. Detail regarding the extent of the work entailed under each item is provided in the Works Information.**

### **Departures from the *method of measurement***

### **Amplification of or assumptions about measurement items**

The following is provided to assist in the interpretation of descriptions given in the *method of measurement*. In the event of any ambiguity or inconsistency between the statements in the *method of measurement* and this section, the interpretation given in this section shall be used.

## C2.2 the *bill of quantities*



NCOU

### Minor & Major Reticulation Summary

		Amount	
SECTION 1	Site Establishment	R	-
SECTION 2	Transport	R	-
SECTION 3	Bush Clearing & Tree Felling	R	-
SECTION 4	Excavations	R	-
SECTION 5	Plant Poles	R	-
SECTION 6	Stay Install & Assemble MV Stays complete	R	-
SECTION 7	Assemble MV Structures	R	-
SECTION 8	Assemble LV Structures	R	-
SECTION 9	Install & Assemble LV Stays complete	R	-
SECTION 10	Pole Top & secure pole top metering kiosks Installation (Smart Metering)	R	-
SECTION 11	Conductor Stringing (Tension, Regulate & Bind In)	R	-
SECTION 12	Installing of Transformers and Structures	R	-
SECTION 13	Installation for Overhead Line	R	-
SECTION 14	Transformer LV Protection	R	-
SECTION 15	Install CT-VT, Recloser, Voltage Regulator, Shunt Capacitor Banks.	R	-
SECTION 16	Equipment/Section Cut-Outs or Disconnectors	R	-
SECTION 17	Miniature Substation	R	-
SECTION 18	Ring Main Unit (RMU)	R	-
SECTION 19	Ground Mounted CT-VT Unit	R	-
SECTION 20	Ground Mounted Meter Kiosk	R	-
SECTION 21	Earthing Installation: Overhead and Underground	R	-
SECTION 22	Underground Cable Installation	R	-
SECTION 23	MV/LV Cable Termination	R	-
SECTION 24	MV/LV Cable Joints	R	-
SECTION 25	Pole Numbering	R	-
SECTION 26	Service Connection Installation	R	-
SECTION 27	Equipment Fencing	R	-
SECTION 28	Equipment Dismantling	R	-
SECTION 29	Bil & Bonding	R	-
SECTION 30	Equipment Testing	R	-
SECTION 31	Material	R	-
<b>TOTAL SCHEDULE OF QUANTITIES</b>		<b>R</b>	<b>-</b>
Value Added Tax @ 15%		R	-
Total (incl VAT)		R	-

## PART 3: SCOPE OF WORK

<b>Document reference</b>	<b>Title</b>	<b>No of pages</b>
	This cover page	1
C3.1	<i>Employer's Works Information</i>	
C3.2	<i>Contractor's Works Information</i>	
	Total number of pages	

## C3.1: EMPLOYER'S WORKS INFORMATION

### Contents

#### Description of the works

##### Executive overview

Eskom has a mandate to fulfil its Key Performance Indicators as stated in the NERSA Policy; which reads as follows:

ELECTRICITY SUPPLY — QUALITY OF SERVICE (NRS 047-1:2005 8)

##### 2.1. Providing a supply

If a customer has paid all the money he owes and met all other obligations stipulated by the licensee and if, where applicable, all subsidies have been received, the following time frames shall apply for the provision of supply:

- a) Within 30 working days where existing infrastructure can be used;
- b) Within two months where LV network extensions are required and within three months where MV network extensions are required; and NOTE It might be necessary to negotiate an extended period of time to accommodate delivery of equipment from manufacturers.
- c) If new networks have to be installed, if HV extensions are required or if supply is required for industrial and commercial customers, the period for providing the supply shall be negotiated between the customer and the licensee. The target percentage success is at least 95 %.

The panel of contractors is needed for the construction of direct customer projects as and when applications are raised from customers. These projects range from 30 days duration up to a negotiated time frame depending on the scope. To meet the NERSA requirements (ELECTRICITY SUPPLY — QUALITY OF SERVICE (NRS 047-1:2005 8), immediate service by the panel of contractors is therefore needed to execute the works. The volume applications and various scope of works necessitate the panel of contractors.

Therefore, noting that Eskom does not have sufficient manpower it is imperative that contract of this nature be established, and in order to fulfill the volume of applications for power connections, that this contract has to be in the form of a panel.

##### **Employer's objectives and purpose of the works**

The scope of work for MV and LV Minor and Major reticulation lines is standard throughout Eskom and was compiled by Project Execution Department and Stated as follows:

The supply of labour, material and transport as per the attached bill of quantities for the construction of MV and LV Minor and Major reticulation lines (up to 5km/1MVA for Minor retic and above 5km/1MVA for Major retic) and associated work.

Based on the customer's requirement a detailed scope of work will be issued to the contractor with each request. The appointed contractor is requested to supply material ("as and when required") to the given job, except major items to be advised by Standards and Implementation Department.

Below are the types of projects to be executed.

Type 1 projects

- House connections.

- Installation and replacement of smart meter and airdac/service cable.

Type 2 projects

- House connections.
- Installation and replacement of smart meter and airdac/service cable.
- Installation and replacement of meter KIOSK with landrate, ruralflex and smart meters.
- Extension on the LV backbone (Overhead/underground).

Type 3 Projects

- House connections.
- Installation and replacement of smart meter and airdac/service cable.
- Extension on the LV backbone.(Overhead and underground).
- Construction of lines (overhead or underground) up to 5km.
- Building of transformer/Minisub structure including installation of: 16kva – 1 MVA Pole mounted.
- Transformers and 200 kVA – 1MVA Mini subs.
- Installation of MV and service cables (when required).
- Installation and replacement of meter KIOSK with landrate, ruralflex and smart meters.
- Decommissioning work.

Type 4 Projects (Negotiated days) - All of the above including:

- Construction of lines (overhead or underground) from 500m upwards.
- All long lead material projects.
- SAHRA approvals, Railway crossings, servitudes, bush clearing, Rock drilling, bulleting.
- Road crossing (National, Provincial and local roads).
- Line upgrades.

Type 5 and 6 Projects - All of the above including:

- Line construction and deviation projects up to 33kv lines.
- Recoverable work.
- Minor and Major Refurbishment, Strengthening Projects e.g. Feeder splits and split metering. Eskom incurred costs.
- All long lead material projects.
- Project requiring dead outages.
- Self-built projects.
- SSEG/ IPP projects.

The scope will also include the following:

Installation of underground MV and LV cables including related terminations and joints up to 33Kv.  
Installation of miniature substations (minisubs) and ring main units (RMUs).  
Installation of load switches & section links.  
Installation of transformers, reclosers, voltage regulators, CTVT (Metering Units).  
Decommissioning of equipment.  
And any other activity with voltage up to 33kv..

## Interpretation and terminology

The following abbreviations are used in this Works Information:

Abbreviation	Meaning given to the abbreviation
PM	Project Manager
CoW	Clerk of Works

## Management and start up.

### Management meetings

The *conditions of contract* (e.g. Clause 16.2) require and other sections of the Works Information (e.g. safety risk management) may require (mandate) that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to pro actively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties. Depending on the size and complexity of the *works*, it is probably beneficial for the *Project Manager* to hold a risk register meeting (Clause 16.2) as and when required. This could be used to discuss safety, compensation events, subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as programming, engineering and design management, may also be warranted.

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	As and when required	Site	PM, Contractor, Supervisor, and Safety and Environmental Representatives
Overall contract progress and feedback	As and when required	Site	PM, Contractor, Supervisor, and Safety and Environmental Representatives

Meetings of a specialist nature may be convened as specified elsewhere in this Works Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *works*. Records of these meetings shall be submitted to the *Project Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

### Documentation control

All contractual Documentation must have relevant contract number and Purchase Order Number as reference as per Eskom Holdings SOC Limited Standards (List). Contractual communications will be in the form of properly compiled letters; letters attached to emails and NEC template.

The use of SMS's, e-mails do not override the use of applicable and relevant NEC3 ECC standard templates, forms and Eskom Holdings SOC Limited procedures.

### Management of work done by Task Order

Task order details the task specific terms and conditions with reference to the main NEC ECC signed for Major and Minor Reticulation within Distribution, including the installation of smart meters, re-closers and voltage regulators. Contained in the Task order is the Project Specific Requirements for execution. All work will be carried out according to the details and specifications as set out in this document.

The Contractor and Project Manager are to work within the conditions stipulated in the Main Contract and this Task order.

The Eskom Project Manager will contact the allocated Contractor and issue the Project Manager with the Task order which will detail all the requirements for execution. The Task order issued will form the basis of the agreement between Eskom and the Contractor for each task to be executed in terms of this contract.

The Project Manager will then request a quotation from the Contractor for the execution of the works as verified. The quotation must be submitted to the Project Manager by the Contractor within 5 days. The Project Manager will verify the quotation for correctness and confirm the cost according to the agreed negotiated rates.

Once the quotation has been accepted by Eskom, the Project Manager will issue the allocated Contractor with a Task Order for the task which will contain a Task Order Number. The task order will then be signed off by the Project Manager and the Service Manager and work may then commence. No work may commence unless the Task Order has been issued. Eskom will not be liable to pay for any work unless a valid Task Order Number has been issued.

The Contractor will compile a Risk Register as per the terms and conditions of the ECC for discussion at regular Risk Reduction Meetings or as per agreement with the Project Manager.

It is expected from the Contractor to do the whole of the work as per timeframe set in the Task Order, and agreed Program of the Works.

Minimum recommended working hours to be observed site are from 07h30 to 16h00.

## **Health and safety risk management**

The *Contractor* shall comply with the health and safety requirements contained in **Annexure B** to this Works Information.

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

The Contractor shall control his activities and processes in accordance with the Occupational Health & Safety Act, No. 85 of 1993 and Eskom's Construction Safety, Health and Environmental Management 32-136, Safety, Health, Environment and Quality Policy, EPC32-727 and SHE Requirements for the Eskom Commercial Process, ST32-726.

The Contractors Project SHEQ File is to be updated on a continuous basis. The Contractor is to ensure that all relevant documentation and authorisations are contained in the file pertaining to the project.

Contractors and their sub-Contractors shall at all times ensure compliance with all relevant Occupational Health and Safety Act 85 of 1993 and any regulations or by-laws of any local or statutory authority.

The Contractor acts in accordance with the health and safety requirements stated in the Service Information. The Contractor acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorized in terms thereof and who have received sufficient training to ensure that they can comply therewith.

The Contractor ensures that all statutory appointments and appointments required by any Eskom Regulations are made and that all appointees fully understand their responsibilities and is trained and competent to execute their duties. The Contractor supervises the execution of their duties by all such appointees.

The Employer, or any person appointed by the Employer, may at any stage during the period of this contract:

- conduct health and safety and Environmental audits regarding all aspects of compliance with the SHEQ Requirements, at any off-site place of work, or the site establishment of the Contractor.

- refuse any employee, Subcontractor or agent of the Contractor access to the premises if such person has been found to commit an unsafe act or any unsafe working practice or is found not to be qualified or authorised in terms of the SHEQ Requirements
- issue the Contractor with a stop order should the Employer become aware of any unsafe working procedure or condition or any non-compliance with any provision of the SHEQ Requirements.

The Contractor immediately reports any disabling injury as well as any threat to health or safety of which it becomes aware at the Works or on the Site to the Employer's Ensure that all Health and Safety Plans are updated to include the management of all COVID 19 risks (office and on – site, transportation, during lunch breaks etc.)

The Contractor shall comply with Eskom's cardinal rules.

#### LIFE-SAVING RULES

Eskom's Life-saving Rules are safety rules which shall not be broken under any circumstances. It must be highlighted that Eskom takes a ZERO TOLERANCE stance to the violation of these rules. Life-saving Rules apply to all Eskom employees, including, subsidiaries, agents, consultants, contractors and to any person entering Eskom sites.

Rule 1: Open, Isolate, test, earth, and create an equipotential zone 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

Rule 6: Ensure Safe Live Working

Safety is a priority for Eskom. You are expected to develop a clear understanding of the rules and to apply them at all times. You are required to actively subscribe to these rules. Adherence to the safety rules is a condition of employment.

## Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in **Annexure C**

The Contractor, in and about the execution of the supply, 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 Supplier's direction and control, likewise observe and comply with the foregoing.

The Contractor shall control his activities and processes in accordance with Environmental Requirements for the Procurement of Assets, Goods and Services, TST41-120 Rev. 2. The Eskom Environmental Management Plan provides the aspects and impacts that will require management and must be followed strictly.

In addition, the Contractor is required to ensure that all goods, services or works supplied in terms of this Works Information also conform to all applicable environment legislation(s), Safety, Health, Environment and Quality Policy, EPC32-727; SHE Requirements for the Eskom Commercial Process, ST32-726; (and additional requirements).

The Contractor is to send a flash report for any environmental incidents that have occurred on site as soon as possible or within 24 hours to the Eskom Environmental Representative and Supply Manager clearly stating any impact to the environment.

## Quality assurance requirements

The Contractor shall comply with the environmental criteria and constraints stated in **Annexure D**

The Contractor shall

- be accredited as ISO 9001 compliant for both quality and environmental management and shall maintain this accreditation throughout the service period. The Contractor shall report immediately any change in this status to the Service Manager, such report containing details of steps to be taken and by when they will be taken to restore the accreditation status.
- provide the service in accordance with the latest revision of the Employer's document, "240-105658000 (QM 58) Supplier Quality Management Specification.
- implement a skills quality management system designed to ensure the provision of adequately skilled, experienced and qualified persons, whether employed on a permanent or temporary basis, to carry out work in this contract.

## Programming constraints

A comprehensive and fully detailed programme is to be submitted within the seven (7) days after the introductory meeting and should indicate all milestones and critical dates. This programme must first be approved by the Project Manager and must be updated on an as and when required basis by the Project Manager.

The following dates shall be clearly reflected on the programme:

- Starting and completion dates for all activities as well as relevant key dates for hold or witness points. All relevant significant activities shall be shown to monitor the progress in the factory/workshop.
- The programme shall also reflect a 2-week period for inspection and correcting of Defects before the completion date.

Updated programmes must be available at all meetings reflecting progress to date and the date when delivery will take place using task orders.

- The Contractor shall submit his construction program in terms of the conditions of contract.
- The Contractor is to submit a revised programme for acceptance at each site meeting.
- This program shall be in the form of an approved Gantt Chart containing the following information:
- All construction activities, including milestones, initial tasks, critical path, required Outages, and target dates. All potential risk activities should be clearly indicated on the critical path.
- Every activity on the programme will be clearly linked to labour resources and equipment required to perform the specific activity.
- Projected weekly progress on site for the entire duration of the contract.
- Completion and hand-over Dates for formal inspection by the site supervisor must be indicated.
- A column showing the daily tempo of all the construction activities must be indicated next to the activity on the programme.
- Project expenditure monthly for the entire duration of the contract.
- The following project phases and activities are minimum requirements for the programme:
- Site Establishment and Material Delivery – Lead times to be specified.
- Preparation work – Work that can be completed without the necessity of power outages
- Outage work – Work that must be completed under outage conditions
- Planned outages to be included in the programme
- Contractors float to be included in the programme
- The Contract Program will be on display in the Contractors Site Offices and will be updated weekly. In addition to the maintaining of this programme, the Contractor will report progress to the Project Manager at each site meeting or at request of the Project Manager.
- The Contractor shall also provide an organisation chart showing the personnel to be employed for the works, along with a detailed CV of all key personnel.
- Should any deviations to the program be found the Contractor shall submit a revised program to the Project Manager within one week of such deviations being brought to the Contractor's attention.
- The Outages must be arranged with Employer via the Outage arrangement procedures, as a pre-requisite for the acceptance of the programme by the Project Manager.
- Acceptance of any program by the Project Manager shall have no contractual status other than an indication that the Project Manager is satisfied as to the order in which the work is to be carried out, and that the Contractor undertakes to perform all work in accordance with the accepted program.

The Project Manager retains the right to alter the accepted program should circumstances on site necessitate such

a change.

**OTHER INFORMATION TO BE SHOWN ON THE PROGRAM.**

The following Statutory non-working days are included within the contract period:

- All Public Holidays for the duration of the contract.
- The programme must clearly indicate the non-working days for the entire construction period.

**Contractor’s management, supervision and key people**

The Contractor is to submit an organogram showing all key people involved in the contract 7 days after contract award. All key personnel must be appointed in writing, must be current for the specific site and area of work and must be kept on file. This would be essential if the Contractor is a Joint Venture.

**Invoicing and payment**

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

The *Contractor* shall address the tax invoice to Eskom Holdings SOC Ltd and include on each invoice the following information:

- Name and address of the *Contractor* and the *Project Manager*.
- The contract number and title.
- *Contractor’s* VAT registration number.
- The *Employer’s* VAT registration number 4740101508.
- Description of service provided for each item invoiced based on the Price List.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.
- (add other as required)

Add procedures for invoice submission and payment (e.g. electronic payment instructions)

<b>General Information</b>	<b>X</b>
No Pro-forma Invoice	
Check Vendor number against the Address and name on Tax invoice	
Insert the Vendor number on Tax invoice (Top right-hand corner)	
Bank details must be on the invoice or on an attach sheet, but it does not require a bank stamp, just a letter)	
Check banking details on invoice against SAP system. If more than one banking account check bank account against banking details on invoice. If banking details are not on invoice, write the bank code next to the vendor account (bank code 0002)	
Check Vendor VAT number against the vendor master. (FK03) If VAT number is not on master records, prepare a list and forward to Vendor Management to check and update the vendor master records	
No fax copies of Tax invoices allowed	
No copies of Tax invoices allowed unless originally printed by the Vendor if a photocopy tax invoice, it must be an original “certified copy” (i.e. not a copy of a “certified copy” invoice) from the vendor and check in system if not previously be paid. Put stamp “not previously paid” on invoice and sign.	
Ensure that date received stamp is clear on invoice	
Stamp all Invoices with the Vat stamp, complete and sign (only when VAT is applicable)	
The stamp should not be stamped over with any written information	
When scanning invoices, check the quality before linking in SAP (inboxes)	
<b>With Reference Invoices</b>	<b>x</b>
Goods receipt must be made (payment with reference)	
Ensure that the SAP purchase order number is clear and correct on the invoice	
GR number to be written on the Invoices	
If multiple lines on invoice write the line number of the order against the line to ensure that the	

processors match the correct lines (to ensure that 191100 is matched correctly)	
---	--

### Insurance provided by the *Employer*

The insurance provided by the Employer, is addressed under the contract data by the Employer under Z13 "Insurance provided by the Employer".

Insurance policy available on:

[http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS\\_Policies\\_From\\_1\\_April\\_2014\\_To\\_31\\_March\\_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

### Contract change management

For any compensation event relating to changes to scope and additions to scope which were not part of the original scope, such changes shall be treated under compensation event core clause section 6 of the NEC3.

### Training workshops and technology transfer

The obligation for technology transfer being included as part of this contract on Completion of the Works is to train Eskom Staff and/or other Contractors on the use of the access control and remote monitoring system, secure kiosks installation and commissioning, as well as training on maintenance of the secure meter kiosks.

### Engineering and the *Contractor's* design

#### Employer's design

The Employer will supply Contractor with a final design document compiled by the Project Engineer detailing the scope of work to be executed on the project as well as Project Drawings.

### As-built drawings, operating manuals and maintenance schedules

The Contractor is required to provide the necessary drawings, operating manuals, test certificates and training program details, as well as a commitment letter for providing ongoing product support.

### Procurement

#### Section 1: Specific Goals

A maximum of 10/20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8

6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

**NB: The following documents are required to claim preference points,**

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPC affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable)

**Tenderer failing to provide documentation for the allocation of preference points will not be disqualified, but'**

- May only score point out of 90/80 for price
- Scores 0 points out of 10/20 for specific goals

**Section 2: Objective criteria**

The inclusion of objective criteria is not mandatory but a condition for contract award. If the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award.

**2.1 Designated Sectors**

When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer

a) Is this Commodity or part of it a Designated Sector?

<b>YES</b>	<b>NO</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>

Please indicate below Designated Components

Commodity	Components	Local Content Threshold
Training	Electrical Line Mechanic and Operating Training	100%

**NOTE:** SBD 6.2 Declaration Form and Annex C (Local Content Declaration-Summary Schedule) are therefore **mandatory** and must be tender returnable if applicable.

**2.2 CIDB Skills Development**

**Continuation of Mandatory Requirements**

a) Is there CIDB compulsory training?

If yes, what is the% of the Construction Skills Development Goal % (CSDG)

<b>YES</b>	<b>NO</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Not applicable</b>	

If the answer above is Yes, it will then be mandatory for the supplier to match Eskom's targets

Criteria	Eskom Target	Tenderer Commitment
CSDG Percentage	N/A	

Description	N/A	
-------------	-----	--

**NOTE:** Failure by the Contractor/Service Provider/Supplier to meet the CIDB CSDG mandatory % will render their tender non-responsive.

**2.3 National Industrial Participation Programme**

Eskom will implement the NIPP requirement, which determines that the contractor/supplier must contact the Department of Trade, Industry and Competition (dtic) to arrange for support and development of local businesses. Eskom is required to inform the tenderers of this requirement. NIPP will only be applicable for contracts with an FGN component or content of USD 5 million or more.

The following narrative must be captured in all tenders that have import/foreign content equal to or in excess of USD 5 million:

“NIPP is a programme that seeks to leverage economic benefits and support the development of South African industry by effectively utilising the instrument of government procurement. The NIPP programme is mandatory for all government and parastatal purchases or lease contracts (goods and services) with an imported content equal to or exceeding USD 5 million.

“The programme targets South African and foreign industries, enterprises, and suppliers of goods and services to government/parastatals, where the imported content of such goods and services equals to or exceeds USD 5 million. The first customer of NIPP is the South African industry that benefits through the NIPP business plans, which, when implemented, generate new or additional business activities through one or more of the following: investment, export opportunities, job creation, increased local sales, SMME and BEE promotion, R&D, and technology transfer.

“Companies with an NIPP obligation must sign this obligation agreement with the Department of Trade, Industry and Competition (dtic) before the contract with Eskom Holdings SOC Ltd, as a purchasing entity, is signed. The obligation agreement governs the relationship between the dtic and the supplier. It defines the NIPP obligation value(s), requirements to fulfil the NIPP obligation, performance milestones, performance monitoring processes, and the NIPP credit allocation criteria.

“All tenders with an import content that is equal to or exceeds the threshold of USD 5 million compels the winning bidder to negotiate and enter into a NIPP obligation agreement with the dtic before signing the contract with Eskom.”.

**2.4 Mandatory Subcontracting as condition of award: N/A**

Subcontracting is mandatory on contracts above R30 million and is a condition for contract award.

Tenderers shall subcontract a minimum of 30% of the contract value to the following designated groups:

- an EME or QSE which is at least 51% owned by black people.
- an EME or QSE which is at least 51% owned by black people who are youth.
- an EME or QSE which is at least 51% owned by black people who are women.
- an EME or QSE which is at least 51% owned by black people with disabilities.
- an EME or QSE which is 51% owned by black people living in rural or underdeveloped area or townships.
- a cooperative which is at least 51% owned by black people.
- a EME or QSE which is at least 51% owned by black people who are military veterans

**NOTE 1:** Tenderers shall submit the following mandatory returnable for Subcontracting:

- Subcontracting agreement signed by both with subcontractors’ company registration documents (CK and B-BBEE certificate or sworn affidavit) or
- Copies of sub-contracting contracts (agreements) or copies of letters from the tenderer to the sub-contractors, stating the intent to sub-contract. The Tenderer should sign both documents and the Sub-contractor(s) earmarked.

Potential scope to be subcontracted and/or outsourced:

- XXXX
- XXXX

Subcontracting, in this instance, will be treated as a condition for contract award. A supplier awarded a contract may not subcontract more than 25% of the value of the contract to any other entity that does not

have an equal or higher B-BBEE status level of a contributor than the supplier concerned unless the contract is subcontracted to an EME that has the capability and ability to execute the subcontract

**Section 3: SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals**

Tenderers who complete and submit the objectives as required, but who do not meet Eskom’s targets, will not be disqualified. SDL&I objectives do not form part of scoring, but commitments will form part of contractual obligations

**1. Transformation – BBEE Improvement or Retention Plan**

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development.

Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submits their B-BBEE improvement or retention plan within 30 days of signing the contract.

Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3. Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher.

Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of Level 4 by the end of the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract.

Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

**NB:** A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company’s annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate

**2. Local Procurement Content**

“Local Procurement Content” refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

Tenderers are required to submit their proposals in the table below.

Local Procurement Content	Eskom target	Tenderer Proposal
	100%	

**3. Procurement spend on entities with a minimum 51% black ownership**

The winning tenderer is encouraged to procure/spend on designated groups on the following paid invoices for both:

- the indirect expenses (e.g. overheads) on goods and services supplied to the

contractor/supplier by designated groups; and

- direct spend on goods and services supplied by the subcontractors for the execution of the scope of work.

Activities, as a proportion of the local procurement content, which may be subcontracted to designated black owned enterprises must be submitted in a table below.

Procurement from Designated Group	Eskom Target	Tenderer Proposal
Black Owned	4.0%	
Black Women Owned	3.0%	
Black Youth Owned	2.0%	
Black Persons with Disability	1.0%	

**4. Jobs.** Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

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

**Section 4: SDL&I Penalty and Performance Security**

**Eskom will apply a penalty of 2.5% of the invoice amount for failure to meet SDL&I obligations.**

Eskom will apply a penalty of 2.5% of the Contract Value for failure to meet SDL&I obligations. For the duration of the contract, Eskom will retain 2.5% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon:

- Eskom receives the SDL&I progress report/s from the contractor.
- Fulfilment of all SDL&I obligations by the contractor.
- Submission of an approved compliance report by SDL&I Department.

**Section 5: Reporting and Monitoring**

- The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award. This will be used as a reference document for

monitoring, measuring and reporting on the supplier's progress in delivering on their stated SDL&I commitments

### Section 6: General Information on Validity of Sworn Affidavits

The following must be considered when it comes to validity of Affidavits;

**Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:**

- Name/s of deponent as they appear in the identity document and the identity number.
- Designation of the deponent as the **director, owner** or **member** must be indicated in order to know that person is duly authorised to depose of an affidavit. **(Mark the applicable option).**
- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be reflected. **(No blank spaces to be left).**
- Indicate total revenue for the year under review and whether it is based on **audited financial statements** or **management account**. **(Mark the applicable option).**
- Financial year end as per the **enterprise's registration documents**, which was used to determine the total revenue. **(Financial year end to be stipulated by day/month/year).**
- B-BBEE Status level. An enterprise can only have one status level. **(Tick applicable level)**
- Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- Date deponent signed and date of Commissioner of Oath must be the same. **(The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore, the Commissioner must also sign and stamp)**
- Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

## Plant and Materials

### Contractor's procurement of Plant and Materials

The *Employer* may require warranties from suppliers to be in favour of the *Employer* and not just to the *Contractor* during the life of the contract. Also include requirements for vendor data which the *Employer* may need after Completion of the whole of the *works*. THIS IS A VERY IMPORTANT SECTION IN PROCESS PLANT AND UTILITY PROCUREMENT CONTRACTS.

### Tests and inspections before delivery

Core Clauses 40 and 41 both make reference to the Works Information regarding tests and inspections. The Contractor shall make sure that regular quality control tests are carried out to ensure that good quality of the materials is maintained.

## Marking Plant and Materials outside the Working Areas

Core clauses 70.1 and 71.1 require the Works Information to state how the *Contractor* is to “mark” Plant and Materials which is outside the Working Areas if they are to be paid for before delivery to the Working Areas. Specify here how the *Contractor* is to mark the Plant and Materials.

## Contractor’s Equipment (including temporary works).

In contracts which require the *Contractor* to procure sophisticated or highly specialised Equipment that could have a major influence on the progress of the works, the *Employer* may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of such Equipment. Include these constraints here taking care not to imply that the *Employer* or the *Project Manager* take on any liability as a result. See also section 3.6 above relating to the design phase of the *Contractor’s* Equipment.

## Construction

This part of the Works Information addresses constraints, facilities, services and rules applicable to the *Contractor* whilst he is doing work on the Site during the construction and maintenance phase. It does not specify the work itself as that is included in Section 6 of the Works Information.

For contracts involving civil works the approach may be to incorporate SANS1200A or SANS 2000 into the contract. Whilst many of the headings below address the same issues, the list of headings below is more comprehensive. If the headings below are used, it may be prudent to delete paragraphs 3, 4 and 5 from 1200A after checking that their requirements have been included below as necessary. A similar approach can be used in contracts involving building works where the Model Trade Preambles are incorporated. Care should be taken to avoid inconsistency or ambiguity between this part of the Works Information and standard specifications incorporated by reference.

## Temporary works, Site services & construction constraints

### Employer’s Site entry and security control, permits, and Site regulations

Contractor to report to security on duty and sign the visitor’s register where applicable. The Project Manager will conduct induction at the premises.

### Access given by the Employer for correction of Defects

Clause 43.4 requires that the *Project Manager* arranges for the *Employer* to allow the *Contractor* access to and use of a part of the *works* which has been taken over if needed to correct a Defect. After the *works* have been put into operation, the *Employer* may require the *Contractor* to undertake certain procedures before such access can be granted. The Contractor will be responsible for ensuring that the area to be worked in is barricaded before correcting any defects.

### Performance tests after Completion

Many design and build or turnkey projects require the *Contractor* to demonstrate that the *works* can operate as guaranteed by the *Contractor* (in *Contractor’s* Works Information) or specified by the *Employer* either here or elsewhere in this Works Information. State here the procedures for carrying out such proving tests. These details should link up with any performance levels stated in Contract Data if secondary Option X17 in ECC3 applies.

### Training and technology transfer

The Employer requires the Contractor to provide training on the use of the access control or any associated transfer of technology from him to the Employer.

### Operational maintenance after Completion

The *Employer* may require the *Contractor* before the *defects date* to perform certain duties after Completion and take over which relate to maintenance of the *works*. (Not to be confused with Defect correction) For example oil and filter changes



## C3.2 *CONTRACTOR'S WORKS INFORMATION*

This section of the Works Information will always be contract specific depending on the nature of the *works*. It is most likely to be required for design and construct contracts where the tendering contractor will have proposed specifications and schedules for items of Plant and Materials and workmanship, which once accepted by the *Employer* prior to award of contract now become obligations of the *Contractor* per core clause 20.1.

Typical sub headings could be

- a) *Contractor's* design
- b) Plant and Materials specifications and schedules
- c) Other

This section could also be compiled as a separate file.

---

## ANNEXURES

1. **ANNEXURE A**  
**Bill of Quantities**



Copy%20of%20Minor-%20Major%20BOQ'

2. **ANNEXURE B**  
**Health and safety risk management specifications and requirements**



OHS Spec Replace  
old prepaid meters wi

3. **ANNEXURE C**  
**Environmental constraints and management specifications and requirements**



Environmenta%20Criteria-%20Procurement

4. **ANNEXURE D**  
**Quality assurance specifications and requirements**



240-105658000  
Supplier Quality Man:

5. **ANNEXURE E**