



## NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC LIMITED**  
1. (Reg No. 2002/015527/06)

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

for **Fabric Filter Plant Online Maintenance at Hendrina  
Power Station**

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

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**CONTRACT No. [Insert at award stage]**

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## **PART C1: AGREEMENTS & CONTRACT DATA**

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<b>Contents:</b>	<b>No of pages</b>
<b>C1.1 Form of Offer and Acceptance</b>	<b>[•]</b>
[to be inserted from Returnable Documents at award stage]	
<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>
[to be inserted from Returnable Documents at award stage]	
<b>C1.3 Proforma Guarantees</b>	<b>[•]</b>

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# C1.1 Form of Offer & Acceptance

**Offer**

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

**Title of the Contract:  
Fabric Filter Plant for Online Maintenance at Hendrina Power Station**

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

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

Options A or C	The offered total of the Prices exclusive of VAT is	<b>R</b>
Option E	The first forecast of the total Defined Cost plus the Fee exclusive of VAT is	<b>R</b>
	Sub total	<b>R</b>
	Value Added Tax @ 15% is	<b>R</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>R</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:

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

## Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the  
Employer**

.....  
(Insert name and address of organisation)

Name &  
signature of  
witness

Date

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

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

Note:

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

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

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

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

**For the tenderer:**

**For the Employer**

Signature \_\_\_\_\_

\_\_\_\_\_

Name \_\_\_\_\_

\_\_\_\_\_

Capacity \_\_\_\_\_

\_\_\_\_\_

On behalf of *(Insert name and address of organisation)*

*(Insert name and address of organisation)*

Name & signature of witness \_\_\_\_\_

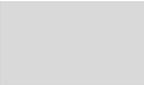
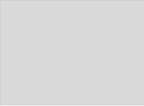
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Date \_\_\_\_\_

\_\_\_\_\_

# C1.2 TSC3 Contract Data

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		<b>A: Priced contract with price list</b>
	dispute resolution Option	<b>W1: Dispute resolution procedure</b>
	and secondary Options	
		<b>X1: Price adjustment for inflation</b>
		<b>X2: Changes in the law</b>
		<b>X18: Limitation of liability</b>
		<b>X19: Task Order</b>
		<b>X20: Key performance indicators</b>
		<b>Z: <i>Additional conditions of contract</i></b>
	of the NEC3 Term Service Contract (June 2005) <sup>2</sup>	
10.1	The <i>Employer</i> is (name):	<b>Eskom Holdings SOC Limited (Reg No: 2002/015527/06), a juristic person 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>
	Tel No.	<b>[•]</b>
	Fax No.	<b>[•]</b>
10.1	The <i>Service Manager</i> is (name):	<b>Taetso Masemola</b>
	Address	<b>Hendrina power Station</b>
	Tel	<b>013 296 3993</b>
	Fax	<b>013 296 3037</b>
	e-mail	<b><u><a href="mailto:masemota@eskom.co.za">masemota@eskom.co.za</a></u></b>

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

11.2(2)	The Affected Property is	N/A
11.2(13)	The <i>service</i> is	<b>Fabric filter plant maintenance on Hendrina units 1-10</b>
11.2(14)	The following matters will be included in the Risk Register	<b>-As agreed by sites</b>
11.2(15)	The Service Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.1	The <i>language of this contract</i> is	<b>English</b>
13.3	The <i>period for reply</i> is	<b>24 hours</b>
<b>2</b>	<b>The Contractor's main responsibilities</b>	<b>the Contractor's liability for defects due to his workmanship that are not listed on the defect certificate is limited to: See overall limitation of liability in Option Z</b>
21.1	The <i>Contractor</i> submits a first plan for acceptance within	<b>Within 4 hours or any other period agreed between the parties</b>
<b>3</b>	<b>Time</b>	
30.1	The <i>starting date</i> is.	<b>01 January 2022</b>
30.1	The <i>service period</i> is	<b>Three (4) years</b>
<b>4</b>	<b>Testing and defects</b>	<b>Defect date is 52 weeks after completion of each Task Order. The defect correction is 24 hours or any other period agreed between the parties.</b>
<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>Between 20<sup>th</sup> and 25<sup>th</sup> day of every 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>30 days from the day of receiving the invoice</b>
51.4	The <i>interest rate</i> is	<b>The publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time standard bank of south Africa limited as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove for amounts due in Rands</b>
<b>6</b>	<b>Compensation events</b>	<b>(If the optional statement for this section is not used, no data will be required for this section)</b>
	These are additional compensation events:	1 The unforeseen scope that could suffice and result as emergent work which was not covered in the scope will be treated as

		a compensation event.  Re-works due to poor quality controls or workmanships will constitute a compensation event against contractor
7	<b>Use of Equipment Plant and Materials</b>	<ul style="list-style-type: none"> <li>- Cranes will be supplied by the employer; request must be made 24hrs prior to needing the crane.</li> <li>- Compressed air up to 6bar will be provided in the plant( contractors to bring their own moisture trap).</li> <li>- 380 v and 220 V power points are provided in the plant.</li> <li>- Scaffolding will be provided by the employer and must be requested 24hrs in advance</li> </ul>
8	<b>Risks and insurance</b>	
80.1	These are additional <i>Employer's</i> risks	<p><b>Additional to clause 80.1 of the TSC3, the following are employer risk</b></p> <ol style="list-style-type: none"> <li>1. <b>Netrual disasters</b></li> <li>2. <b>Unavailability of power stations (closing of Hendrina power)</b></li> <li>3. <b>Changes to existing safety procedures</b></li> </ol>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	<b>as stated for "Format TSC3" available on <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a> (See Annexure A for basic guidance).</b>
83.1	The <i>Employer</i> provides these additional insurances	<b>as stated for "Format TSC3" available on <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a> (See Annexure A for basic guidance)</b>
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	<b>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a></b>
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	<b>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a></b>
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of	

	the <i>Contractor</i> ) arising from or in connection with the <i>Contractor's</i> Providing the Service for any one event is:	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i> .
83.1	The minimum limit of indemnity for insurance in respect of 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 for any one event is:	<b>As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..</b>
<b>9</b>	<b>Termination</b>	There is no Contract Data required for this section of the <i>conditions of contract</i> .
<b>10</b>	<b>Data for main Option clause</b>	
<b>A</b>	<b>Priced contract with price list</b>	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	<b>Based on urgency, impact and criticality of the task and/or as stated in each Task Order or agreed between parties</b>  <b>Four (4) weeks from issue of each task</b>
<b>11</b>	<b>Data for Option W1</b>	
W1.1	The <i>Adjudicator</i> is (Name)	<b>All disputes shall in the first instance be directed at the Service manager and the Contractor site manager on site. If the dispute is not settled it would be referred to the site Senior Management and the <i>Contractor's</i> Main Representatives. Should they be unable to settle the dispute it would be referred to senior management of each organisation. Should they fail to reach an agreement, it will be referred to the person/s selected from the Eskom panel of Adjudicators by the Party intending to refer a dispute to him.</b>
W1.2(3)	The <i>Adjudicator nominating body</i> is:	<b>the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See <a href="http://www.jointcivils.co.za">www.jointcivils.co.za</a>)</b>
W1.4(2)	The <i>tribunal</i> is:	<b>Arbitration</b>
W1.4(5)	The <i>arbitration procedure</i> is	<b>the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.</b>
	The place where arbitration is to be held is	<b>South Africa</b>
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	<b>the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.</b>
	- if the arbitration procedure does not state who selects an arbitrator, is	
<b>12</b>	<b>Data for secondary Option clauses</b>	

<b>X1</b>	<b>Price adjustment for inflation</b>																									
X1.1	The <i>base date</i> for indices is  The proportions used to calculate the Price Adjustment Factor are:	<p>[•].</p> <table border="1"> <thead> <tr> <th>Proportion</th> <th>linked to index for</th> <th>Index prepared by</th> </tr> </thead> <tbody> <tr> <td>0.</td> <td>[•]</td> <td>[•]</td> </tr> <tr> <td>[•]</td> <td colspan="2">non-adjustable</td> </tr> <tr> <td>1.00</td> <td colspan="2"></td> </tr> </tbody> </table>	Proportion	linked to index for	Index prepared by	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	[•]	non-adjustable		1.00		
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<b>X2</b>	<b>Changes in the law</b>	<b>No Contract Data required for this section of conditions of Contract</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	<p><b>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on</b>  <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a></p>																								
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<p><b>The greater of</b></p> <ul style="list-style-type: none"> <li>• the total of the Prices at the Contract Date and</li> <li>• the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on  <a href="http://www.eskom.co.za/live/content.php?Item_ID=9248">http://www.eskom.co.za/live/content.php?Item_ID=9248</a></li> </ul>																								
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	<p><b>The total of the Prices other than for the additional excluded matters.</b></p> <p><b>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</b></p> <p><b>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</b></p> <ul style="list-style-type: none"> <li>• Defects due to his design, plan and</li> </ul>																								

		<ul style="list-style-type: none"> <li>specification,</li> <li>• Defects due to manufacture and fabrication outside the Affected Property,</li> <li>• loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• infringement of an intellectual property right.</li> </ul>
X18.5	The <i>end of liability date</i> is	<b>12 months after the end of the <i>service period</i>.</b>
<b>X19</b>	<b>Task Order</b>	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	<b>24 hours or as agreed between the parties</b>
<b>X20</b>	<b>Key Performance Indicators (not used when Option X12 applies)</b>	
X20.1	The <i>incentive schedule</i> for Key Performance Indicators is in	<b>The Parties to identify, agree on KPI's and measure these during the 1<sup>st</sup> year of the contract. From year two the Parties should agree these and determine the incentive basis.</b>
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	<b>One month</b>
<b>Z</b>	<b>The <i>additional conditions of contract</i> are</b>	<b>Z1 to Z14 always apply.</b>

**Z1 Cession delegation and assignment**

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.

**Z2 Joint ventures**

- Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not substantially alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the 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 P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

#### **Z4 Ethics**

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).
- Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.
- Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.
- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

#### **Z5 Confidentiality**

- Z5.1 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.
- Z5.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z5.3 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.

Z5.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

**Z6 Waiver and estoppel: Add to core clause 12.3:**

Z6.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Service Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

**Z7 Health, safety and the environment: Add to core clause 27.4**

Z7.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

Z7.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

**Z8 Provision of a Tax Invoice and interest. Add to core clause 51**

Z8.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z8.2 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.

Z8.3 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.

**Z9            *Employer's limitation of liability***

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

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

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

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

**Z11            *Define cost. Delete clause 11.2 (5) and replace by:***

Define cost is cost payment made by the *contractor* in providing the service for

- People who are employed by the *contractor* at the rates in Annexure E.
- Plant and Materials
- Work subcontracted by the *contractor*
- Consumables
- Equipment as per annexure E
- Accommodation of people employed by *contractor*

***Compensation events: these are additional compensation events***

- Z12**
- Inclement weather conditions
  - Contamination from toxic or hazardous chemical substance under the care of the employer or by any person employed by or contracted to the employer including the contractor; and
  - Power and air supply disruption except that which is the responsibility or under the control of the contractor

**Z14            *Providing the service: Add to clause 20:***

- Z14.1    The *contractor* has no responsibility for
- Damaged caused by ordinary wear and tear, unintended use, misuse, abuse, improper or unsuitable environment, improper storage, installation, maintenance, operation and repairs by the employer or by person not under Contractors direct supervision and
  - Failure by the employer to notify the contractor within 7days after defect becomes visible or other causes beyond the reasonable control of the *contractor*.

Z14.2    The *Employer* is responsible for providing work access to a defect, including disassembly opening up and closing part of the affected property, plant and material which was not in the contactor original scope

## **Annexure A: Insurance provided by the Employer**

*These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. Details of the insurance itself are available from the internet web link given below.*

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

**[http://www.eskom.co.za/live/content.php?Item\\_ID=9248](http://www.eskom.co.za/live/content.php?Item_ID=9248)**

## Annexure B: The *Employer's* Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 <a href="mailto:andrewbaird@ecsconsult.co.za">andrewbaird@ecsconsult.co.za</a>
Christopher BINNINGTON	Gauteng	+27 11 888-6141 <a href="mailto:cdb@bca.co.za">cdb@bca.co.za</a>
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 <a href="mailto:info@thurlowassoc.com">info@thurlowassoc.com</a>

**Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Leighton Itholeng (Tel.: +27 (0)11 800 4031) (Fax :+27 (0)86 668 0419) E-mail: [Leighton.Itholeng@eskom.co.za](mailto:Leighton.Itholeng@eskom.co.za)**

## C1.2 Contract Data

### Part two - Data provided by the *Contractor*

#### Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract (June 2005) and the relevant parts of its Guidance Notes (TSC3-GN)<sup>3</sup> in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [       ] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):  Address  Tel No.  Fax No.	
11.2(8)	The <i>direct fee percentage</i> is  The <i>subcontracted fee percentage</i> is	%  %
11.2(14)	The following matters will be included in the Risk Register	<b>As agreed upon by site (Hendrina Ps)</b>
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	<b>The Service Information and in each Task Order as applicable</b>
21.1	The plan identified in the Contract Data is contained in:	<b>As stated in each Task Order</b>
24.1	The key persons are:  1       Name:  Job:  Responsibilities:  Qualifications:  Experience:	

<sup>3</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

2 Name:  
Job  
Responsibilities:  
Qualifications:  
Experience:

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

<b>A</b>	<b>Priced contract with price list</b>	
11.2(12)	The <i>price list</i> is in	<b>Part 2 pricing data</b>
11.2(19)	The tendered total of the Prices is	<b>R</b>

## PART 2: PRICING DATA

### TSC3 Option A

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

## C2.1 Pricing assumptions: Option A

### **The conditions of contract**

#### **How work is priced and assessed for payment**

Clause 11 in NEC3 Term Service Contract, June 2005 (TSC3) core clauses and Option A states:

<b>Identified and defined terms</b>	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		<ul style="list-style-type: none"><li>• the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and</li><li>• where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.</li></ul>
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

#### **Function of the Price List**

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

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

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

## **Preparing the *price list***

It will be assumed that the tendering contractor has read Pages 14, 15 and 73 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering into this contract.

1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.

2 If the *Contractor* has decided not to identify a particular item in the *price list* at the time of tender the cost to the *Contractor* of doing the work must be included in, or spread across, the other Prices and rates in the *price list* in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.

3 There is no adjustment to lump sum prices in the *price list* if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.

4 Hence the Prices and rates tendered by the *Contractor* in the *price list* are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk.

5 The *Contractor* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an *Employer's* risk event listed in core clause 80.1.

## **Format of the *price list***

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

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

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

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

## C2.2 the *price list*

The Price List is as follows

<b>Price List</b>					
No.	Description	Unit of Measure	Estimated Quantities	Rate/day & Month	Price
<b>1.</b>	<b>Labour</b>				
<b>1.1.</b>	<b>Normal Time</b>				
	Site Manager	H			R
	Site Supervisor	H			R
	Safety Officer	H			R
	Planner	H			R
	Mechanical Fitter	H			R
	Rigger	H			R
	Boilermaker	H			R
	B- Class Welder	H			R
	Semi-skilled	H			R
	Hot work monitor	H			R
	Assistants	H			R
	Storeman	H			R
	Quality Controller	H			R
<b>1.2.</b>	<b>Overtime Rate x 1.5 – Saturday</b>				
	Site Manager	H			R
	Site Supervisor	H			R
	Safety Officer	H			R
	Planner	H			R
	Mechanical Fitter	H			R
	Rigger	H			R
	Boilermaker	H			R
	B- Class Welder	H			R
	Semi-skilled	H			R
	Hot work monitor	H			R
	Assistants	H			R

	Quality Controller	H			R
<b>1.3.</b>	<b>Overtime Rate x 2 - Sunday &amp; Public holiday</b>				
	Site Manager	H			R
	Site Supervisor	H			R
	Safety Officer	H			R
	Planner	H			R
	Mechanical Fitter	H			R
	Rigger	H			R
	Boilermaker	H			R
	B- Class Welder	H			R
	Semi-skilled	H			R
	Hot work monitor	H			R
	Assistants	H			R
	Storeman	H			R
	Quality Controller	H			R
<b>2.</b>	<b>Consumables Per Month</b>				
	Grinding Discs	each			R
	Welding Rods	each			R
	PPE	Paa			R
	Cleaning Rags	each			R
	Gas cyliders	each			R
<b>3.</b>	<b>Equipment</b>				
	Electric grinders	each			R
	DP boards 220V - 380V	each			R
	Welding machines	each			R
	HP machine 40Kpa	each			
	Mechanical tool box	each			R
	Lights / Touches	each			R
	Site establishment for offices	Each			
<b>Total Tendered Price</b>					<b>R</b>
<i>VAT @ 15%</i>					<b>R</b>
<b>Total Including VAT</b>					<b>R</b>

**Rates per hour (all rates exclude VAT)**  
**Accommodation; Transportation and PPE to be included in the labour rate**  
**Safety: The value of your rate to be allocated to safety and health.....**

The tender dates will be fixed for the 1st year and thereafter will be escalated as per completed CPA form.

### **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 Service Information</i>	
C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

# C3.1: EMPLOYER'S SERVICE INFORMATION

## Contents

Part 3: Scope of Work 3

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# 1 Description of the service

## 1.1 Executive overview

The scope of service in this contract relates to the management, supervision, labour, consumable supply, provision of equipment, administration.

The *Employer's* objectives for this contract include security of supply, economies of scale, competitive pricing, encouraging a long-term commercial relationship with the *Contractor* based on mutual trust, commitment to common goals and an understanding of each Party's expectations and values.

The method of assessment is described elsewhere in this Service Information.

## 1.2 Employer's requirements for the service

The contractor will be expected to perform/carry out the activities stated below on the draught boiler plant under the instruction of Outage Management and Maintenance department at Hendrina Power Station and the outputs will be used to measure the performance of the contractor:

### 1. Descriptions of the works

The scope of work consists of core services (daily maintenance) and Outage works of the Fabric Filter Plant on Hendrina Units 1- 10.

#### 1. BOUNDARIES OF RELEVANT PLANT

Plant	Limits
Fabric Filter Plant Boiler 1 -10	From the screens, baffle and deflector plates to the dust hoppers and implosion dampers.

Excluded:

- Supply of Scaffolding
- All C&I works
- All Electrical Works (hopper heating, hopper level probes and motors)

Included:

- All equipment on the roof top (Pulse air tanks, Valves, Implosion dampers, Manifold Drive, Ventilation fans, Air Pipes)
- Implosion Dampers, Control Air Supply Air Receiver, pipework and its valves

#### 2. DAILY MAINTENANCE WORK (CORE SERVICES)

- Core services consist of preventative as well as corrective maintenance, and shall be relevant to maintaining plant availability and reliability in a cost effective way.
- Contractor is required to provide to Hendrina Power Station a labour force consisting of:
  - Manager/Supervisor
  - Mechanical Fitters
  - Welders and Boiler makers as and when required
  - Safety officer
  - Fire watcher
  - Assistants
  - Semi-skilled

- The contractor ensures that his/her personnel are authorized to take out permits to work in accordance with Plant Safety Regulations within three months of being awarded the contract. At least all the fitters must be authorized.
- The contractor provides a 24 hour service for any plant failures and maintenance intervention (Half loads to replace bags) which includes a standby service with a response time of 0-2 hour during normal office hours and after hours including weekends and public holidays.
- The contractor supports and assists in promoting the Plant Fundamental Management policies (which can be obtained from the Contract Manager or from Hendrina's document center).
- The contractor compiles a month end report of plant conditions experienced during the month and submit to boiler maintenance supervisor, contract manager and the system engineer.
- The contractor compiles weekly reports for all inspections carried out on the defective FFP bags and cages and all maintenance intervention done on the FFP equipment. **NB. Report to include the number and position of bags replaced.** The weekly report to be submitted to boiler maintenance supervisor, contract manager and the system engineer.
- The contractor originates a list of daily reactive works on as and when required basis.
- The contractor provides daily planning schedule to department planner with a 5 working day target window.
- The contractor compiles bills of materials for all spares and consumables 24 hours before commencement of works for stock items (available from Hendrina's stores) and three months before commencement of works for non-stock items (items that are not in Hendrina's stores). The bills of materials are submitted to the boiler maintenance supervisor.
- The contractor attends to all defects associated with the FFP units 1 to 10.

#### **Emergency Spray Water System**

- Perform visual inspection on the pipe work. Check condition of pipes and secure fittings.

#### **Filter bags and cages**

- Inspect and replace defective bags.
- Inspect and replace defective cages.

#### **Manifold drive**

- Inspect gearboxes and repair if necessary.
  - Check oil level and leaks.
  - Change oil depending on the condition of the oil.
- Drain oil from drive gearboxes and replace with new.
- Check drive gears for damage and replace if required.
- Replace gasket per manifold drive.

#### **Rotating manifolds**

- Inspect and repair defects on the rotating manifold.
- Inspect and repair defects on the air distribution boxes.
- Inspect for tightness on manifold arms bolts.
- Inspect and replace nozzles on manifold arms when damaged.
- Inspect and replace manifold support bearing when damaged.

#### **Pulse Air System**

- Inspect and maintain the pulse air tanks.
- Set pressure relief valve.
- Inspect all diaphragm and pilot springs and replace cracked or damaged springs.
- Inspect and replace damaged or non-functioning Isolating valves, NRV, Solenoid valves, drain valves and pressure gages.
- Inspect pulse air piping including the flexible pipes and replace if required.
- Conduct functional test on the solenoid valves.

#### **Air Receiver**

- Inspect and maintain the air receiver.
- Set pressure relief valve.
- Inspect and replace damaged or non-functioning Isolating valves, NRV, Solenoid valves, drain valves and pressure gages.
- Inspect air receiver piping, including flexible hoses and replace if required.

#### **Implosion dampers**

- Inspect for leaks on the implosion dampers.
- Perform a functional test of the implosion dampers.
- Inspect and replace the cylinders if damaged.
- Inspect and repair the protection cage if damaged.

#### **Cell vent fans**

- Lubricate the Damper locking device.
- Inspect the Damper sealing surface and repair/replace if damaged.
- Inspect Motor bearing and bracket and repair/replace if damaged.

#### **Dust Hoppers**

- Inspect and repair dust hopper walkways and handrails.
- Inspect agitating levers and chains and tension the chains.
- Inspect and replace agitating lever gaskets.
- Inspect hopper inspection and access door seals, and repair/ replace if damaged.
- Inspect internal support structure for damaged stiffener beams, liners and repair.
- Inspect and test dust hopper level detectors and repair/replace if damaged.
- Inspect and test dust hopper level detectors for corrosion and blockages, and repair defects.
- Unblocking of blocked dust hopper and removal of FFP bags
- Removal of dust hopper formed clinker and FFP bags inside
- Opening and closing of dust hopper inspections doors for inspections
- Removal for Square to round for easy pocking

#### **Deflector Plates, Baffle Plates and Inlet Screens**

- Inspect deflector plates, baffle plates and inlet screens and repair defects. Bend new deflector plates if required.

#### **Tube Plate**

- Inspect tube for sagging/deflection, weld cracks, holes, and repair defects if possible.
- Inspect tube plate hangers and repair defects.

#### **Circumferential Seal**

- Inspect and repair circumferential seal leaks, also open up the seal assembly and inspect the primary seal. Repair if noted.

### **Civil and Structures**

- Visually inspect interior and exterior of FFP casing (Concrete structure).
- Visually inspect water sealing on FFP roof.
- Replace/Repair damaged dust hopper liner.
- Visually inspect external walkway gratings and handrail, if defect is noted then report to Maintenance Supervisor.
- Inspect and replace damaged inlet screens.
- Inspect and repair turning vanes, baffles and deflector and repair panels that are holed.
- Inspect tube plate hangers and repair defects.
- Inspect tube plate for sagging/ deflection, weld cracks, holes and repair defects.
- Inspect and repair circumferential seal leaks, also open up the seal assembly and inspect the primary seal. Repair leaks if noted.
- Inspect and replace all leaking and worn out door seals.

### **C&I Impulse Pipework**

- Inspect and repair damaged C&I pipework.

## **1.3 Interpretation and terminology**

The following abbreviations are used in this Service Information:

<b>Abbreviation</b>	<b>Meaning given to the abbreviation</b>
AIA	Authorised Inspections Authority
KPI	Key performance Indicators
QCP	Quality Control plan
SM	Services manager
RTS	Return to service
MSDS	Material safety data sheet

## 2 Management strategy and start up.

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

2.1.1 The *Contractor* submits a program for acceptance by the *Service Manager* prior to commencing with the work. The program will be updated on a weekly basis.

2.2.2 The program is in Microsoft Excel or MS Project and shall include the following:

- The hour duration of each activity,
- The working calendar (number of work-hours per day, days per week),
- The exact quantity of people per day,
- All phases and interfaces

2.2.3 The *Contractor's* program activities must fit in with the interface activities of other *contractors*, and must be indicated. These interfaces must include activities such as scaffolding, lagging, electrical and instrumentation work.

2.2.4 Activities will only be recorded as complete when the quality inspection plan for the activity is returned to the *employer's representative* with all the relevant signatures, including that of the quality controller.

2.2.5 The frequency of updating is listed on the task order. More regular updating may be required on the critical path activities.

### 2.2 Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly on Wednesday at 10:00	<i>Service Managers</i> Office	Employer, Contractor, Supervisor,
Site (Kick Off) meeting	First working day after official contract is placed at 11:00	<i>Service Managers</i> Office	<i>Employer's</i> Service Team, Contractor
Early Warning Meetings	As required	<i>Service Managers</i> Office	Engineer, Contractor, Supervisor and Service Manager
Overall contract progress and feedback	Every second Tuesday of the Month at 10:30	<i>Service Managers</i> Office	Employer, Contractor, Supervisor,

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

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

### **2.3 Contractor's management, supervision and key people**

The *Contractor* ensures that qualified personnel are used onsite. The *Contractor* provides a site supervisor or project manager to supervise, monitor, control and coordinate all activities during the execution of the project.

### **2.4 Provision of bonds and guarantees**

N/A

### **2.5 Documentation control**

At the site (Kick Off) meeting to be held, the documentation is identified with an alpha numeric, which indicates source, recipient, communication number, etc.

All contractual communications are in the form of properly compiled letters or forms attached to e-mails and as a message in the e-mail itself.

The routing of all written communications will be between the *Employer* and the *Contractor* only, any agreements between the *Contractor* and any other person representing the employer which has not been routed via the Service Manager is null and void.

Any instructions written or verbal resulting in any changes to the duration, quality, cost of the service may only be received from the Service Manager

### **2.6 Invoicing and payment**

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

The Contractor shall address the tax invoice to:

Eskom Holdings SOC Limited  
Hendrina Power Station  
Accounts Payable  
PO Box X 1003  
Pullenshope  
1096

and include on each invoice the following information:

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

Payments are done within 30 days after receipt of tax invoice.

## **2.7 Contract change management**

For any changes on the contract standard, NEC forms must be used.

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

The *Contractor* keeps records of all equipment and people employed on site which the *Employer* has access to at any time in order to access compensation events for the period of this contract.

## **2.9 Insurance provided by the *Employer***

Refer to the TCS3 Core Clause 83.1

## **2.10 Training workshops and technology transfer**

The *contractor* will be required to attend Plant safety regulations refresher course and other courses related to his work.

## **2.11 Design and supply of Equipment**

N/A

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

### **2.12.1 Equipment**

N/A

### **2.12.2 Information and other things.**

N/A

## **2.13 Management of work done by Task Order**

The execution of works to be handled by the use of a task order according to the price listing stipulated on this contract.

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

#### 3.1 Health and safety risk management

The *Contractor* is to ensure that all his personnel attend a Health and Safety Induction Course presented by *Employer* daily from 09:00 to 11:00, free of charge prior to commencement of any *works*. This is a two (2) hour course and is valid for the duration of one (1) year at Hendrina Power Station.

- (a) The *Contractor* works strictly to regularly updated risk assessment.
- (b) The *Contractor* ensures supervised and authorised entry into the plant.
- (c) The *Contractor* barricades the entire perimeter of the site.
- (d) The *Contractor* ensures at all times compliance with the safety regulations imposed by any act of parliament, or any regulation or by law of any statutory authority.
- (e) The *Contractor* complies with the Occupational Health and Safety Act and Regulations, 1993 and all regulations made there under as well as the *Employer's* safety and operating procedures.
- (f) The *Contractor* acknowledges that he is fully aware of the requirements of all the above and undertakes to employ people who have received sufficient training that they can comply therewith.
- (g) The *Contractor* undertakes not to do, or not to allow anything to be done which will contravene any provisions of the act, regulations or operating procedures.
- (h) All employees of the *Contractor* must attend a safety induction course before they are allowed to work on site. It is the responsibility of the *Contractor* to ensure that all employees have attended the safety induction.
- (i) The *Contractor* holds a Toolbox Talk and inspects all PPE before any work commences and keep written proof of such actions.
- (j) The *Contractor* complies with all of the applicable procedures as required by the *Employer*, Procedures available from the *Employers* Documentation Centre on request.
- (k) The *Contractor* complies with the health and safety requirements contained in Appendix A, B, C and D to this Works Information.
- (l) The *Contractor* familiarizes himself with all permit requirements for work to be done on all plant systems and ensures that permits are applied for accordingly. The *Consultant* specifically addresses all risks related to work in any area by means of a written and approved risk assessment, which is compiled in liaison with the *Employer*
- (m) The following risks have been identified by the *Employer*, and the *Contractor* shall include these in his risk assessment:
  - Injury caused by hand tools
  - High noise level
  - Falling when working at heights
  - Welding which may result in burning
  - Movement of stairs while walking
  - Falling into open trenches while walking
- (n) Any tampering with the *Employer's* fire equipment is strictly forbidden

- (o) All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards must be kept free of obstruction, and not be used for work or storage at any time. Firefighting equipment remains accessible at all times
- (p) In case of a fire, report the location and extent of the fire to the Electrical Operating Desk at extension 5555
- (q) Take the necessary action to safe guard the area to prevent injury and spreading of the fire
- (r) *Employer* provides the *Contractor* with the baseline risk assessment to use it as a minimum requirement to compile a risk assessment identifying all the risks before the implementation commences, the risk assessment compiled by the *Contractor* will clearly show all the mitigating strategies in order to minimize all the possible risks.

### 3.2 Environmental constraints and management

The Contractor ensures that all equipment used in the designs conform to all applicable environmental legislation

The *Contractor* adheres to the Employer's Environmental Management System that must meet the requirements for the Code of Practice for Environmental Management Systems (EMS), ISO 14001:2004

The EMS requirements are detailed in the latest revision of the following documents, which are available from the Project Manager on request, and include:

- The Hendrina Power Station Environmental Policy (HSPPIN005)
- The Environmental Emergency Preparedness Procedure (HSPPIN032)
- The Prevention & Cleaning of Oil Spills Procedure (HSPPON003)
- The Waste Management Procedure (HSPPIN003)
- The Roles and Responsibilities Procedure (HSPPIN028)
- The EMS Non-Conformance, Corrective and Preventative Action (HSPPIN034)
- The relevant Environmental Management Programmes (EMP's) and Aspects on the Environmental Management System (EMS) database - this is continually changing and is available from the Employer's Representative
- Compliance to all relevant environmental legislation, as detailed in the latest version of the Hendrina Power Station Legal Register available from the Employers Representative
- All operational procedures that include environmental requirements, relevant to the Works Information or Scope of this contract

The *Contractor* is responsible to comply with any new environmental requirements, relevant to the Works Information or Scope that may come into effect as part of Employer's EMS during the duration of this contract

The *Contractor* is responsible to ensure representation at Environmental meetings that may require input for the updating of the EMS as well as training on an ad-hoc basis

If there is uncertainty around any environmental issues, the Employer's Environmental Department may be contacted on (013) 296 3011 or (013) 296 3910 or (013) 296 3013

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

### **3.3 Quality assurance requirements**

All Quality Control Documentation are submitted to the Project Manager within 14 days after contract date or on the start date, whichever is earlier, and the test certificates to be submitted from each relevant test

The *Contractor* obtains pre-approval from the *Employer* for all design drawings before installation

The *Employer* carries out random and scheduled inspections on the plant

The *Contractor* complies with the Employer's Quality Requirements as specified in Eskom Generation Standard (GGS 0462) and the QM-58.

## **4 Procurement**

### **4.1 People**

#### **4.1.1 Minimum requirements of people employed**

The *Contractor* is responsible for the provision of accommodation, meals and transport of his own personnel. The cost thereof is to be negotiated and agreed with the delegated the service manager.

#### **4.1.2 BBBEE and preferencing scheme**

N/A

## 4.2 Plant and Materials

The materials required to execute the projects will be supplied by the employer, however, the *contractor* will be required to provide some material according to the items listed on the price listing

### 4.2.1 Specifications

Employer's Health And Safety Requirements	
Occupational Health And Safety Act, Number 85 Of 1993	OHS Act 85 Of 1993
Quality Requirements For Engineering And Construction Works	ESKASAAA3: Rev 0
Plant Safety Regulations	OPR 3305
SABS Quality Standards	SABS ISO 9000
Occupational Hygiene	NWS 1489
Commissioning	NWS 1007/P
Accident Prevention Activity Report	NWP 5051

### 4.2.2 Correction of defects

The *contractor* remains responsible for the defect corrections which resulted from him performing work on the specific plant area. The correction period is 52 week

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

- Fork lift
- Scaffold
- Electricity
- Crane

## 5 Working on the Affected Property

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

*Contractor* appoints people to attend *Employer's* Authorised Supervisor and Responsible Person Course. No work will commence without an accredited Authorised Supervisor and accredited Responsible Person on site. Allow a minimum of 4 weeks for authorisation. The *Employer* provides training free of charge

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

Restrictions and hours of work may apply on some Sites. It is very important that the Contractor keeps records of his people on Site, including those of his Subcontractors which the Project Manager or Supervisor have access to at any time. These records may be needed when assessing compensation events.

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

The *Contractor* is provided with an on-site Medical Centre for 1st aid and minor injuries.

## **5.4 Environmental controls, fauna & flora**

As per the *Employer's* procedure: The Hendrina Power Station Environmental Policy (HSPPPIN005)

## **5.5 Cooperating with and obtaining acceptance of others**

Only the *Employer* will at times be part of the project work areas, no other *Contractors* will be involved

## **5.6 Records of Contractor's Equipment**

The *Contractor* keeps records of all equipment on site which the *Employer* has access to at any time in order to access compensation events for the period of this contract.

## **5.7 Equipment provided by the Employer**

The *Employer* provides crane and forklift upon 24 hours request made by the *Contractor*.

## **5.8 Site services and facilities**

### **5.8.1 Provided by the Employer**

*Employer* supplies, free of charge, reasonable quantities of potable water required for the purposes of this contract from the existing points. The *Contractor* provides, at his own cost, all connection fittings, pipe work, temporary plumbing, and pumps necessary to lead the water from the *Employer's* points of supply to the various points where it is required.

Power is available at the existing points. The *Contractor* provides his own portable 380V electrical distribution boards, and supply cables to and from the boards, for all his power supply requirements to execute the works. The *Contractors'* Electrical Distribution Boards shall comply with OHSAs as referred to in the Electrical Installation Regulations and the Electrical Machinery Regulations. Each board brought onto site has a Certificate of Compliance issued by an accredited person.

The *Contractors'* electrical distribution boards are installed at the works on a time negotiated with the Supervisor, prior to the possession date. The *Employer* connects distribution boards to a 380V three-phase AC power supply, only after the *Contractor* has submitted the valid Certificate of Compliance. All *Contractors'* electrical distribution boards are earthed to the steel structure of the plant.

The *Employer* provides the *Contractor* access to identified existing ablution facilities.

The *Contractor* maintains the site to meet the requirements of the health and safety requirements as per the requirements of the Service Manager. The *Contractor* restores the site to its original state i.e., clean and no rubble. Inspection is held by the Service Manager and signed off.

### **5.8.2 Provided by the Contractor**

The *Contractor* to bring whatever deemed necessary to complete the work

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

As per *Employer's* Environmental procedure specified on section 2.4 above

## **6 List of drawings**

### **6.1 Drawings issued by the Employer**

N/A.

### **6.2 Technical specifications:**

N/A.