

PART 3: SCOPE OF WORK

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C3.1: EMPLOYER'S SCOPE

Contents

1 Description of the services

1.1 Executive overview

This document is for the provision of ISO 55001 gap assessment, training and support services to the Eskom Transmission division for a period of 3 years.

The organisation is facing challenges amongst which includes the ageing infrastructure and constrained delivery capabilities against the backdrop of an expected rise in expansion of the Transmission system to interconnect new various electric power plants. These challenges lead to reduction in asset performance, increasing maintenance cost and slows the country's growth potential. To manage these asset related challenges, Transmission has been pursuing improvements to its asset management practices and it is seeking an independent perspective on its asset management maturity and assistance to establish a plan for further improvement and eventually attaining the ISO550001 certification.

1.2 Interpretation and terminology

Abbreviation	Meaning given to the abbreviation
AM	Asset Management
SAMP	Strategic Asset Management Plan
AMP	Asset Management Plan
BU	Business Unit
CPAM.	Certified Practitioner in Asset Management
GP&D	Grid Planning and Development
IPS	Interconnected Power System
ISO	International Standard Organisation
P&SCM	Procurement and Supply Chain Management
TDP	Transmission Development Plan
TX	Transmission
SA	South Africa(n)
SO	System Operator

2 Specification and description of the services

1. The ISO55001 compliance gap assessment pertains to the Transmission division of Eskom.
2. The evaluation of the Transmission asset management system and asset management practices shall be conducted in accordance with the requirements of ISO 55001.
3. The assets within the scope of the assessment are the physical transmission network assets that are essential to the transmission of electricity. This entails:
 - o Primary and secondary substation assets
 - o Overhead Power Lines

- Telecommunications
- Facilities

4. Respondents shall provide a detailed plan outlining how they will carry out the assessment, including resources, methods, approaches, and duration.
5. The respondent's proposal shall include a complete list of Transmission's responsibilities, encompassing all items, venues, services, office space, approvals, and activities to be provided or performed by Transmission. This includes any engagements that may be required with senior leadership at Transmission.
6. The duration of the contract shall be limited to a period of three years. The service to be provided under this contract is not required to be continuous throughout the entire three-year term. The work schedule and duration of work periods shall be as per the plan and in mutual agreement with the employer.
7. The assessment shall be carried out by a service provider who is experienced in carrying out ISO 55001 gap assessments. The service provider shall make use of experienced assessors with a minimum of 5 years of ISO 55001 assessment experience.
8. The service provider shall have previously conducted an ISO55001 assessment for a utility, preferably an electric utility.
9. The service provider shall use one or more personnel who possess recognised asset management certification, such as Certified Practitioner in Asset Management (CPAM).
10. Transmission will provide the necessary information required by the service provider's assessors for the assessment.
11. The service provider shall be required to sign a nondisclosure agreement and commit to restricted use of Transmission information for other uses other than the service being provided.
12. Transmission will have proprietary rights over the information and records generated from the assessment.

Gap assessment report

1. The service provider shall produce a gap assessment report that clearly indicates the extent to which Transmission complies with all the requirements outlined in the clauses of ISO 55001 and provides an explanation of what aspects of the asset management system and asset management activities should be improved.
2. The assessment report shall indicate Transmission's readiness to comply with and certify to ISO 55001. As well as clearly indicating the necessary steps to be taken for compliance and associated timelines. Findings and recommendations shall be listed for each ISO 55001 clause.
3. The assessment report shall be well structured, as a minimum cover heading is provided in item "d)" below.
4. The respondent shall provide a sample of the contents of the report and briefly explain what will be covered under each section as part of the returnables for the proposal.
5. The improvement actions in the assessment report shall be documented as a plan, prioritising the necessary tasks to be carried out. The plan shall specify the resource requirements and estimated timelines for cost purposes.
6. The gap assessment report will be written in English.
7. The draft assessment report shall be sent to the employer representative to review its accuracy, relevance, completeness, and clarity.
8. Gaps identified in the review will be sent to the service provider for perusal. The plan in 4.1 d) ought to include a provision for this review and address the shortfall the employer has identified.
9. The draft assessment report shall be presented to Transmission senior management by the service provider for feedback and comments before finalisation.
10. The final, signed report and associated documents shall be provided in electronic format.

Training

1. The service provider shall conduct courses relevant to the establishment, implementation, maintenance, and improvement of the asset management system as per Annexure A. This should include courses for the development of competencies in Eskom employees that will perform continuous improvement internal assessments and audits.
2. The service provider shall supply the training material for the list of courses listed in Annexure A within one year of the commencement of the contract.

3. The training material shall include the facilitator's material, the learner manual, assessments, and other necessary supporting material, such as PowerPoint presentations. (All training material should be in the Eskom template format that shall be provided.)
4. Without limitations on making copies or having Transmission deliver the training during or after the contract, the training materials must be available in electronic format.
5. Transmission will have ownership of the training material supplied to it.
6. The service providers shall provide the training listed in Annex A to Transmission employees. The number of employees to be trained is provided in Annex A. It's Transmission's prerogative to select the courses that it will register its employees on and the total number of employees to be trained.
7. Where the service provider makes use of third parties to supply the training material and/or deliver the training, Transmission will not be involved in the arrangements between the service provider and the third parties.
8. The training shall be conducted by qualified and experienced professionals with a minimum of 5 years of relevant asset management experience.
9. An all-inclusive cost per attendee and a minimum number of attendees per training session shall be provided in Annex A.
10. Transmission will make available a training facility (training room or boardroom) for classroom-based courses in Eskom offices within Gauteng province.
11. Training sessions shall be scheduled as and when required by the employer.
12. All training interventions will be conducted in English.
13. All successfully completed training courses offered shall be acknowledged with a certificate stipulating the particulars of the attendee, date of training, name of the course, and signature of the facilitator.

Support

1. The service provider shall review and update the below Transmission asset management artefacts to ensure they align with the requirements of ISO 55001:
 2. Asset Management Policy
 3. Strategic Asset Management Plan
 4. Asset Management Plan for Transformers
 5. Asset Management Plan for Protection Systems
 6. Asset Management Plan for Power Lines
 7. Asset Management Plan for Circuit Breakers
 8. Asset Management Plan for Refurbishment
9. The service provider shall supply their asset management artefact templates (AM policy, SAMP, AMP's, and other relevant templates) that are aligned with the requirements of ISO 55001.
10. Two years after issuing the gap assessment report, the service provider shall assess Transmission's readiness for ISO55001 certification, considering the recommendations outlined in the gap assessment report mentioned in Section 4.2.
11. The service provider shall provide technical support to Transmission during the certification audit in order to achieve successful certification.
12. The service provider shall develop a change management plan for transmission to assist with the adoption of ISO 55001 requirements.
13. Where Transmission deems it necessary, it will utilise the service provider to assist in addressing any identified gaps mentioned in the gap assessment report referred to in Section 4.2 or the change management plan mentioned in 4.4 (e) above.

3 Constraints on how the *Consultant* Provides the Services.

3.1 Management meetings

Title and purpose	Approximate time & interval	Location	Attendance by:
Kick off	Immediately after contract award- to be confirmed by project manager	TBC	TBC
Progress tracking	As and when required	TBC	TBC
Management Engagement Meeting	As and when required	TBC	TBC
Hand Over	After Completion of project Key Deliverables and Milestones	TBC	TBC

The Consultant shall report the overall progress and as a minimum requirement, the following is addressed:

- The consultant's current activity status and anticipated completion dates.
- Start and completion dates planned by the consultant for the work
- A comparison is made between the consultant's and project manager's programme agendas to identify problematic differences.
- The status of any additional relevant activities.
- To discuss any technical or commercial issues.

Note: The consultant shall provide the report at an "as and when required" basis

3.2 Consultant's key persons

The Consultant must provide:

Contact details of Consultant's key persons (including landline and mobile numbers)

Contact details of alternate, suitable key person

3.3 Documentation control and retention

3.3.1 Identification and communication

Format of documentation will be according to Eskom's templates where prescribed

3.3.2 Retention of documents

Clause 13.6 states that the Consultant retains copies of drawings, specifications, reports and other documents which record the services in the form stated in the Scope. Records such as contracts, addendums, task orders, work completion certificates, reports etc. must be retained in PDF format. Working files, such as drawings, designs, correspondence, information etc. must be retained in its original file format or hard copy where applicable. Note the time period for which the Consultant is to retain such documents is

five years after the completion date of the contract

3.4 Invoicing and payment

Clause 50.2 states invoices submitted by the *Consultant* include the details stated in the Scope to show how the amount due has been assessed. Also state what must be shown on the Invoice. The following text is suggested.

The following details shall be shown on or attached to each Invoice to show how the amount due has been assessed:

[List them]

The *Consultant* shall address the tax invoice to _____ and include on it the following information:

- Name and address of the *Consultant* and the *Employer's Agent*;
- The contract number and title;
- *Consultant's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- 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)]

To ensure efficient handling and payment of your invoices, it is essential that you refer to the mandatory legal and Eskom Holdings SOC Ltd requirements to be added to every invoice or credit note.

Eskom may withhold payment if a vendor's invoice is inaccurate, without supporting documentation or does not meet Eskom's invoice, legal or tax requirements.

Vendor Highlights – What You Need to Know

1. Payment terms
2. Ordering and payment
3. Where to and how to send invoices
4. Other requirements
5. Who to contact for payment queries
- 6.

1. Payment terms

Every invoice must follow an established payment process according to your contracted payment terms. Payment will take place as per contract term, from date of valid tax invoice receipt.

2. Ordering and payment

Eskom pays its registered vendors via EFT. No goods or services should be supplied without receiving an Eskom purchase order. All purchase order numbers must be included on the invoice.

No invoice will be paid if the correct purchase order number is not quoted on the invoice.

To ensure faster processing of your invoices, please ensure that your billing invoice:

- Reflects the purchase order number. No invoice will be paid if the correct purchase order number is not referenced on the invoice
- Reflects your VAT registration number
- Reflects Eskom's VAT registration number 4740101508
- Reflects the total amount invoiced excluding VAT, the VAT amount and the invoiced amount including VAT
- Supplier Bank details
- Matches our purchase order (line by line)

- Contains the proper units of measure
- Aligns with the purchase order price; and
- that the agreed payment terms on the invoice agrees with the payment terms on the order.

Note: You require a goods receipt (GR) number to submit your invoices.

- We will not affect payment until the goods or services have been received and supported by either a delivery note, works completion certificate and or timesheet.
- Always ensure the remittance email address and name on your invoice are correct and that we have received the same information to update our records.

3. Where to and how to send invoices

Invoice should be submitted using the Email address below:

- **Local invoices:** invoiceseskocomlocal@eskom.co.za
- **Foreign invoices:** To be sent to the contract advisor for processing
-

Details on how to submit invoices and additional information:

- The subject line on your email should only contain your vendor number.
- All electronic invoices must be sent in PDF format only.
- Each invoice in PDF should be named with your invoice number only.
- Each PDF file should contain one invoice, one debit note, or one credit note only. You may not submit more than one invoice per email.
- If there is Cost Price Adjustment (CPA) or Rate of Exchange (ROE) on your contract, we request that you issue a separate invoice for CPA and/or ROE.
- Where CPA and ROE are applicable, please attach the signed CPA or ROE calculation sheet to the invoice in one/single attachment. The invoice must also clearly state that it is for CPA or ROE
- The amount used to calculate the CPA/ROE value on the CPA/ROE calculation sheet must match the base invoice amount.

4. Other requirements

The following documents are returnable every year and should be submitted to Eskom Vendor Management at the following email address: VendorMDM@eskom.co.za before the expiry date:

- Valid B-BBEE certificate / Affidavit
- Letter of good standing with the Department of Labour (COIDA)
- Tax clearance certificate
- Any changes of directorship of the company during the period of any contract held with Eskom, you need to submit the changes together with supporting documents as issued by CIPC.
- You also need to ensure that the National Treasury Central Supplier Database (CSD) is updated with all relevant information. Please visit www.csd.gov.za for the details.

Note:

- Failure to comply with the requirements above, may lead to your vendor number being blocked for transacting and payment.
- Please note that the crm_mdm@eskom.co.za is a system generated email with no-reply settings. DO NOT REPLY to it instead send correspondence to VendorMDM@eskom.co.za

5. Who to contact for payment queries:

All queries and follow up on invoice payments, should be made by contacting the FSS Contact Centre:

E-mail: FSS@eskom.co.za

Tel: 011 800 5060

Contract change management –

This section is intended to deal with any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms. Not the same thing as documentation control.

Inclusions in the programme:**Required Vendor Registration documents**

- CSD registration
- BBBEE certificate
- Banking details
- Share certificates
- COIDA Certificate
- SHE Report or Exemption letter from SHE Official
- Quality Report or Exemption letter from Quality Official
- Declaration of Interest
- Signed JV agreement (if applicable)
- Signed Trust Documents (if applicable)
-

Vendor Management Change Process

The following documents are yearly returnable and should be submitted to Eskom Holdings SOC Limited (using email address: vendormdm@eskom.co.za) on or before the expiry date:

- # BBBEE certificates
- # Letter of good standing with the Department of Labour

You also need to ensure that you are registered with the National Treasury Central Supplier Database (CSD).

Failure to comply with any of the above may lead to your Vendor Number with Eskom Holdings SOC Limited being blocked.

Changes to VM - profile it is the responsibility of the consultant to submit changes and supporting documents to vendormdm@eskom.co.za

Onboarding process

Unique number

- VPN access
- System access

3.5 Quality management

3.5.1 System requirements

The Consultant shall comply to ISO 9001 Quality Management System and category 2 of Eskom Supplier Quality Management Specification QM 58 240-105658000.

3.5.2 Information in the quality plan

Clause 40.2 requires that the *Consultant* provide a quality policy statement and quality plan which complies with requirements stated in the Scope.

- Quality method statement based on scope
- Quality policy approved by management
- Quality Objectives approved by management

3.6 The Parties use of material provided by the *Consultant*

3.6.1 *Employer's* purpose for the material

***Employer's* purpose for the material**

The Employer has the right to use the material provided by the Consultant in relation to the execution of the work as stated in C3.1 of the contract data.

Restrictions on the *Consultant's* use of the material for other work

The *Consultant* may not use the material provided by him under this contract for other work unless prior approval is granted by the *Employer*.

The *Consultant* shall be required to sign a nondisclosure agreement and commit to restricted use of Transmission information for other uses other than the service being provided.

Transmission will have proprietary rights over the information and records generated from the assessment.

Transfer of rights if Option X 9 applies

Option X9 states: The *Employer* owns the *Consultant's* rights over material prepared for this contract by the *Consultant*, *there is no exception to this clause*.

If a sub-consultant is brought in to assist in the execution of the works, the *Consultant* obtains rights over material prepared by the sub-consultant on behalf of the *Employer*.

Management of work done by Task Order

Procedures for management of Task orders:

- When the Employer requires a portion of the scope to be executed, a Task Order will be issued to the Consultant detailing what is required with expected costs as outlined in C2.2 of the contract data.
- The Consultant returns the signed Task Order accepting the task and associated prices.
- Upon receipt of the signed Task Order the Employer will create a Purchase Order and provide the Purchase Order to the Consultant.
- The Consultant does not render services until they are in receipt of a valid Purchase Order corresponding to a particular Task Order.

3.7 Health and safety

The *Consultant* shall comply with the Health and Safety requirements as contained in the Occupational Health and Safety Act 85 of 1993 including its applicable Regulations. Furthermore *Contractor* shall be required to comply to Eskom's SHEQ policy, procedures and Eskom Life Saving rules.

Consultant is to adhere to Eskom Site Safety requirements and ensure that a Safety File is available at every site where scope of works is being executed.

Consultant is to ensure supervision of works at all times and works are carried out as per approved *Contractors* Health and Safety plan.

The *Consultant* shall at all times comply with the health and safety requirements prescribed by law as they may apply to the services.

The Consultant is also expected to comply with the following documents when rendering a service to Eskom but not limited to the following:

- a) Eskom contract Health and Safety requirements standards 32 -136
- b) Occupational Health and Safety Act 85 of 1993
- c) Compensation for Occupational Disease and Illnesses Act 130 of 1993
- d) 240-62196227 Life-Saving Rules
- e) 32-37 Eskom Substance Abuse Procedure
- f) 32-727 SHEQ Policy
- g) National Road Traffic Act 93 of 1996

3.8 Procurement

3.8.1 BBBEE and preferencing scheme

Eskom SoC Ltd has a Directive on B-BBEE implementation. The Directive gives preference to companies complying with the B-BBEE Codes of Good Practice, Level 1 to Level 4.

3.8.2 Other constraints

Delete if not required or state any other constraints that may be applicable to people employed by the *Consultant* and change the heading to suit the subject matter.

3.8.3 Preferred subconsultants

Not Applicable

3.9 Correction of Defects

First read clause 41.2 and if any particular additional constraints are required when correcting Defects, state them here. Otherwise delete this heading.

Any corrections requested by the employer on work done by the Consultant shall be addressed and resolved within 10 working days.

3.10 Working on the *Employer's* property

This part of the Scope addresses constraints, facilities, services and rules applicable to the *Consultant* whilst he is doing work on the *Employer's* property. Delete this section if not applicable.

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

When visiting the Employer's offices or sites, the Consultant is required to present a valid form of identification, such as an ID, driver's license, or passport. Access security checks and searches will be conducted for entry into any Eskom premises. The consultants will be required to declare any equipment, including laptops, during this process and complete a visitor's register.

For access to Transmission network sites, such as substations, the Consultant is required to wear safety boots and a hard hat, and to comply with all safety protocols provided on-site by the authorized person. The safety protocols will be established through a risk assessment that will be done on site prior work.

3.10.2 People restrictions, hours of work, conduct and records

The Employer's offices are open during working days from 7h30am to 16h30pm. The offices may be closed outside of these hours.

The Consultant shall keep records of its employees working on the Employer's property. Employer's Agent shall have access to these records at any time.

3.11 Cooperating with and obtaining acceptance of Others

The Consultant shall co-operates with Others in obtaining and providing information which they may need in connection with the services.

3.12 Things provided by the *Employer*

Transmission will provide a training facility (training room or boardroom) for classroom-based courses at Eskom offices within the Gauteng province.

For physical meetings, Transmission will provide a boardroom and a projector.

3.13 Cataloguing requirements by the *Consultant*

No cataloguing is required to be done by the Consultant.

3.14 Sequence, timing, method and conduct of work

- Two weeks after the contract's commencement, the service provider must provide a comprehensive plan outlining how they will conduct the evaluation, including resources, methods, approaches, and duration.
- The respondent's proposal must include a comprehensive list of Transmission's responsibilities, including all items, venues, services, office space, approvals, and activities that Transmission will provide or perform. This includes any meetings with Transmission representatives that may be necessary. On request, a site visit shall be conducted.
- Deliver the initial draught of the gap assessment report 90 days after the contract's start date.
- The final gap assessment report is due 120 days after the start date of the contract.
- The Transmission asset management artefacts (refer to xx) must be reviewed within 7 months of the contract's start date.
- Certificates of training must be issued within four weeks of course completion.
- The amendments requested by the employer should be resolved within 10 working days.

3.15 Performance Management

The *Employer* will manage and monitor the performance of the *Consultant*. The performance criteria will be based on this contract and other Key Performance Areas, Key Performance Indicators and targets (KPA's and KPI's) as will be spelled out by the *Employer*. The Consultant will be afforded an opportunity to influence the KPA's and KPI's. These reports will be shared with the *Consultant* to enable them to improve. Consistent poor performance will lead to the *Employer* ceasing the usage of the services of the *Consultant* through withdrawal or non-issuance of task orders, or even termination of this contract. The tool used by the *Employer* will be an accepted method of performance management. Meetings will be held by the *Employer* with the *Consultant* at which performance will be discussed, amongst other items.

4 List of drawings

4.1 Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title

