



NEC3 Term Service Contract (TSC3)

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

and,
(Reg No.)

for **Inspections and repairs of the Coal Bunker plant
during outages**

Contents:

Part C1 Agreements & Contract Data

Part C2 Pricing Data

Part C3 Scope of Work

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

C1.1 Form of Offer and Acceptance

C1.2a Contract Data provided by the *Employer*

C1.2b Contract Data provided by the *Contractor*

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:

Inspections and Repairs of Coal Bunker plant

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

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

Options A	The offered total of the Prices exclusive of VAT is	As per price list
	Value Added Tax @ 15% is	As per price list
	The offered total of the amount due inclusive of VAT is ¹	As per price list
	As per price list	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

.....

Name(s)

.....

Capacity

.....

**for the
Employer**

Eskom Holdings SOC Limited
Matimba Power Station
Private Bag X215
LEPHALALE
0555

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	N/A	

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

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

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

Name &
signature
of witness

Date

Eskom Holdings SOC Limited
Matimba Power Station
Private Bag X215
LEPHALALE
0555

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*.

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

1. Please read the relevant clauses in the conditions of contract before you enter data. The number of the clause which requires the data is shown in the left-hand column for each statement however other clauses may also use the same data.
2. Some TSC3 options are always selected by Eskom Holdings SOC Ltd. The remaining TSC3 options are identified by shading in the left-hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "[●]" - data is required to be inserted relevant to the specific option selected.]

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X18: Limitation of liability
		X19: Task Order
		X19.3: Delay damages
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	014 763 8000
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	

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

Address **Matimba Power Station
Private Bag X215
LEPHALALE
0557**

Tel **014 763 8000**

Fax

e-mail

11.2(2)	The Affected Property is	Coal bunkers
11.2(13)	The <i>service</i> is	Inspections and Repairs of Coal Bunker plant during outages
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	2 Days, unless stated otherwise on the Task Order
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The Contractor submits a first plan for acceptance within	2 Days prior to the start of each task order, unless stated other on the task order
3	Time	
30.1	The <i>starting date</i> is.	
30.1	The <i>service period</i> is	60 months
4	Testing and defects	
	The <i>defect correction period</i> is	<p>The defect will be inspected by both the Eskom QC and Contractor, and decision made as to how to defect will be corrected. Any decision will be made in writing</p> <p>52 weeks after sectional completion of each task order</p> <p>The defects correction period is between one and seven calendar days depending on the level of the defects and access to the plant. The defects correction period is the period during which the contractor agrees to initiate a response to the Notification of a Defect and shall be such period for repair of a Defect shall be determined by the nature of the Defect and shall be such period as is reasonable in all the circumstances.</p> <p>The Contractor will repair or replace the defective part during the warranty period. The defective part will be inspected by the Contractor and a decision made as to whether it</p>

can be repaired, or a replacement part ordered, decision whether to repair or replace must be taken in consultation with the employer.

5	Payment	
50.1	The <i>assessment interval</i> is	After completion of each task order.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	As per Eskom payment terms linked to the vendor.
51.4	The <i>interest rate</i> is	<p>the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and</p> <p>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.</p>
6	Compensation events	are to be approved by the <i>Employer</i> within 7 days of the receipt from <i>Contractor</i> , if the <i>Employer</i> does not agree with the compensation event terms, he/she shall declare a dispute within 7 days unless stated on the Task order
7	Use of Equipment Plant and Materials	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	None
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).

83.1	The <i>Employer</i> provides these additional insurances	as stated for “Format TSC3” available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
83.1	The <i>Contractor</i> provides these additional insurances:	None
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	the amount of the deductibles relevant to the event described in the “Format TSC3” insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	Contractor not required to insure as cover is provided under Employers assets all policy to the limit of liability of the policy (see insurance provided by Employer for details of deductibles) http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
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:	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 Rand).
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	2 Days.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the

		Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).		
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.		
W1.4(2)	The <i>tribunal</i> is:	arbitration		
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.		
	The place where arbitration is to be held is	South Africa		
	The person or organisation who will choose an arbitrator			
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.		
	- if the arbitration procedure does not state who selects an arbitrator, is			
12	Data for secondary Option clauses			
X1	Price adjustment for inflation			
X1.1	The <i>base date</i> for indices is			
	The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for	Index prepared by
		85%	Table C-3(a) - Labour	SEIFSA
		15%	Fixed Portion	
		100%	TOTAL	
X2	Changes in the law		Any law within the Republic of South Africa which applies to term services contract.	
X18	Limitation of liability			
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	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx		

X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<p>The greater of</p> <ul style="list-style-type: none"> the total of the Prices at the Contract Date and 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 http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
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>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> Defects due to his design, plan and specification, Defects due to manufacture and fabrication outside the Affected Property, loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i>.
X19	Task Order	
X19.3	The <i>delay damages</i> for delivery of goods	1% of Task order value per day up to a limit of 10% of Task order value
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	2 days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.	

Z2 Joint ventures

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

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 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 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property;
 - warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
 - undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.
- 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 Notifying compensation events

- Z9.1 Delete the last paragraph of core clause 61.3 and replace with:

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

Z10 *Employer's limitation of liability*

- Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z10.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

Z11 **Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":**

- Z11.1 or had a business rescue order granted against it.

Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.

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

[http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_
From_1_April_2014_To_31_March_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

C1.2 Contract Data

Part two - Data provided by the Contractor

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	%
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience:	
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	ZAR
11.2(19)	The tendered total of the Prices is	As per price list

PART 2: PRICING DATA
TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	5

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:

Identified and defined terms	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">the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed andwhere 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.
		(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*

(From page 73 of the TSC3 Guidance Notes)

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

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

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

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

C2.2 the *price list*

Part 1

The rates and Prices entered for each item includes for all work and other things necessary to complete the item.

Item	Description	UoM	Qty	Rates
1	INSPECTION PER BUNKER	m2	1	
2	THICKNESS TEST PER LINER 3MM	m2	1	
3	REPLACING 3MM THICK 304S/S	m2	1	
4	SEAL WELDS THE SS LINER PLUG	ea	1	
5	REWELD OF SS, STRIP 1200X50X6MM	m	1	
6	INSTALL SS STEEL STRIP 1200X50X6MM	m	1	
7	REPAIR LINERS 2500X1250X3MM 3CR12 WELDING	m	1	
8	INSTALL SHELL PLATE MILD STEEL8MM THICK WELDING	m	1	
Sub-Total				
	Preliminaries and General			
	ACCOMODATION	outage	1	
	SITE ESTABLISHMENT	outage	1	
	TRANSPORT	outage	1	
	SERVICE & REPORT	outage	1	
	SAFETY FILE	outage	1	
	P&G's/ OVERHEADS	outage	1	

Part 2

The rates and Prices entered for each item includes for all work and other things necessary to complete the item.

P&G's / overhead	No. of days	Hourly rate	Total Rate
Project Manager			
Supervisor			
Planner			
QC Inspector			
Safety Officer			
Environmental Officer			
Travel (R/Km)			
Accommodation (per person per day)			

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	<i>Employer's</i> Service Information	15
	Total number of pages	16

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

When the document is complete, insert a 'Table of Contents'. To do this go to: Insert, → Reference, → Index and tables → Table of Contents. Three levels and the title (but not the subtitle) may be shown if the formats used in this template are retained.

Otherwise insert list of contents manually.

Part 3: Scope of Work	25
C3.1: Employer's service Information.....	26
1 Description of the <i>service</i>	28
1.1 Executive overview.....	28
1.2 <i>Employer's</i> requirements for the <i>service</i>	28
1.3 Interpretation and terminology.....	30
2 Management strategy and start up.	31
2.1 The <i>Contractor's</i> plan for the <i>service</i>	31
2.2 Management meetings	31
2.3 <i>Contractor's</i> management, supervision and key people.....	31
2.4 Provision of bonds and guarantees	31
2.5 Documentation control.....	31
2.6 Invoicing and payment.....	31
2.7 Contract change management	31
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	32
2.9 Insurance provided by the <i>Employer</i>	32
2.10 Training workshops and technology transfer.....	32
2.11 Design and supply of Equipment.....	32
2.12 Things provided at the end of the <i>service period</i> for the <i>Employer's</i> use	32
2.12.1 Equipment	32
2.12.2 Information and other things	32
2.13 Management of work done by Task Order	32
3 Health and safety, the environment and quality assurance	33
3.1 Health and safety risk management	33
3.2 Environmental constraints and management	34
3.3 Quality assurance requirements	34
4 Procurement	36
4.1 People.....	36
4.1.1 Minimum requirements of people employed	36
4.1.2 BBEE and preferencing scheme	36
4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)	36
4.2 Subcontracting.....	36
4.2.1 Preferred subcontractors	36
4.2.2 Subcontract documentation, and assessment of subcontract tenders	37
4.2.3 Limitations on subcontracting	37
4.2.4 Attendance on subcontractors	37
4.3 Plant and Materials	37
4.3.1 Specifications	37
4.3.2 Correction of defects	37
4.3.3 <i>Contractor's</i> procurement of Plant and Materials	37
4.3.4 Tests and inspections before delivery	37
4.3.5 Plant & Materials provided "free issue" by the <i>Employer</i>	37
5 Working on the Affected Property.....	38
5.1 <i>Employer's</i> site entry and security control, permits, and site regulations.....	38
5.2 People restrictions, hours of work, conduct and records.....	38
5.3 Health and safety facilities on the Affected Property	38

5.4	Environmental controls, fauna & flora.....	38
5.5	Cooperating with and obtaining acceptance of Others.....	38
5.6	Records of <i>Contractor's</i> Equipment.....	38
5.7	Equipment provided by the <i>Employer</i>	38
5.8	Site services and facilities.....	38
5.8.1	Provided by the <i>Employer</i>	38
5.8.2	Provided by the <i>Contractor</i>	38
5.9	Control of noise, dust, water and waste.	38
5.10	Hook ups to existing works	38
5.11	Tests and inspections	39
5.11.1	Description of tests and inspections.....	39
5.11.2	Materials facilities and samples for tests and inspections.....	39
6	List of drawings	40
6.1	Drawings issued by the <i>Employer</i>	40

1 Description of the service

1.1 Executive overview

The purpose of this document is to outline the mechanical scope of work to be executed by the contractor during outage.

1.2 Employer's requirements for the service

Scope of works

The scope contains the scope of work for the coal bunkers for execution during an interim repair and/or a mini overhaul and/or a general overhaul. The SOW comprises of mechanical activities that need to be performed in accordance with the defined specifications or requirements. The scope further entails all engineering works in relation to the repair/replacement/installation/ commissioning, and other associated works to return the plant to good health as per contractual obligation between the service supplier(contractor) and client (Eskom- Matimba Power Station).

Any other services herein not covered is not catered by this scope and if needs be such arising services will have to be subjected to negotiations, agreed between the affected parties, and thereby reduced into written and authenticated agreement.

Coal Bunker Mechanical Scope

The scope below details the work to be executed by the mechanical contractor during outages on the Coal Bunkers.

ACTIVITY TYPE (INSPECTION / TEST / REFURBISH / REPLACE)

Coal Bunkers B-E

1. Bunkers should be cleaned out prior to repairs commencing.
2. An internal inspection of the coal bunker should be conducted from the top before entering the bunkers to ensure that no unsafe coal build-ups or hang-ups exist.
3. Bunker inspections must include visual inspections on liners, vertical bin shell plates, slide gates and seal welds between liner plates and stud weld areas, to identify potential loose liners and/or cracked plates. Wash down welding is not allowed and must be re-welded.
4. Thickness tests shall be performed on the internal structure (on 1m intervals) to determine the wear of the liners. Any liner below 1.8mm in thickness are to be replaced. Thickness test results must be recorded.
5. Bunker inspections must include visual inspections on 3CR12 liners, seal welds between 3CR12 stainless steel liner plates and plug weld areas, to identify potential loose liners and/or cracked plates and/or welds. Liner plate material is 304stainless steel, 3mm thick. All newly installed liner plates will be seal welded to adjacent liners with horizontal and vertical up welds using 308L consumables. All welding performed to comply with the structural welding code AWS D1.1. Plug welds on smaller liners must be confirmed by Engineering before installation commences.
6. Inspect the upper vertical liners. If they are peeling off, remove and clean area behind the liners, and return liner into place, Scaffolding should be planned for the repairs at these levels as per requirement.
7. In the event of wear occurring on shell. Install new preformed plates on vertical shell. Supporters (RSJ 152X8917 kg/m) should be welded on the vertical shell of the bin, on all sides of the worn area, to avoid collapsing of the bin or buckling of the shell plates while removing worn plate for replacement. All shell plates to be pre-formed and prepared prior to installation. Plate material to be used in mild steel(A43), 8mm thick.

All welding performed to comply with the structural welding code AWS D1.1

All newly installed plates will be full penetration welds to adjacent plates with horizontal and vertical up welds.

Plates to be rolled to an inside radius of 4750mm complete with weld preparations.

Spares to be supplied by ESKOM.

Additional Information

- The Contractor shall be responsible for the implementation of the entire scope of work.
- The appointed Contractor shall be responsible to supply all PPE required to do the work.
- The Contractor shall always ensure safety while working and along the plants in operation by including the risk of people/materials falling and providing suitable mitigations in his risk assessment.

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
NDE	Non-Destructive Examinations
QA	Quality assurance
QC	Quality Control
FAC	Flow accelerated corrosion
RSA	Republic of South Africa
QCP	Quality Control Plan
ITP	Inspection Test Plan
SOW	Scope Of Work
SAQCC	South African Qualification and Certification Committee
ACC	Air Cooled Condenser
SAIW	South African Institute of Welding
NDT	Non-Destructive Testing
QM	Quality Management
ORHVS	Operation Regulation for High Voltage System

2 Management strategy and start up.

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

Provisional programme must be submitted within 2 (Two) days of receiving the Scope of Work.

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:
Outage daily meetings	Mon – Fri 9H15 – 10H15 Sat – Sun 08H00 – 09H00	Outage boardroom	All Stakeholders
Scope concerns – Manage risks	As per arranged meeting invites	As per arranged meeting invites	As per arranged meeting invites
QC Working Meetings	As per arranged meeting invites	As per arranged meeting invites	As per arranged meeting invites
Contractor Weekly Safety Meeting	As per arranged meeting invites	As per arranged meeting invites	As per arranged meeting invites
Post Outage Review	As per arranged meeting invites	As per arranged meeting invites	As per arranged meeting invites

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 should supply dedicated supervisors that will focus exclusively on their area of responsibility. Any replacement of supervisory personnel on site shall be approved by the Employer on receipt of the CV of the replacement.

The Contractor should have its own Responsible Persons (RP) and Authorised Supervisors (AS) as per the Plant Safety Regulation (PSR) requirements.

2.4 Provision of bonds and guarantees.

The Employer may withhold payment of amounts due to the Contractor until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the Contractor by the Service Manager to receive and accept such bond or guarantee. Such withholding of payment due to the Contractor does not affect the Employer's right to termination stated in this contract.

2.5 Documentation control

The Contractor keeps record of all documentation related to this contract.

All documentation to be provided to the employer in a way as agreed with the site service manager during and at the end of the contract.

NOTE: The document must be handed to Outage management within two months of completing the project for record keeping and in order to assist all stakeholders in the planning of the next outage on that specific unit.

2.6 Invoicing and payment

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 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

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)

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

2.7 Contract change management.

Any change of the *Contractor's* company ownership should be communicated through to the *Service Manager*. Failing to do this may lead to contract termination with legal consequences.

The correct processes and procedures will be communicated through to the *Contractor* by the *Service Manager*.

If the *Employer's* *Service Manager* change the *Contractor* will be notified by the *Employer* as soon as possible to ensure that the *Contractor* follow the correct communication channels.

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

The *Contractor* keeps accurate and complete books of accounts, records and other evidence relating to the Actual Cost, or Rates for Resources, as applicable. Where Actual costs are claimed, the records pertaining thereto will be subject to audit.

The *Employer* may audit applicable *Contractor's* records, which have relevance to the contract. The results and findings of the audit are submitted to the *Employer* and the *Contractor*.

At intervals as agreed with the site service manager, the *Contractor* submit to the site service manager proof of actual costs incurred (where applicable), or actual hours worked, in the case of personnel resources, which may include the following:

- Copies of daily timecards and grading of employees within the Working Areas
- Copies of daily timecards and grading of employees outside the Working Areas
- Cost allocation
- payroll registers
- Schedule of Equipment and time sheets, and
- Other relevant information applicable to costs that the site service manager requests.

This information is always kept up to date. The *Employer* will pay for costs that have supporting documentation such as time sheets and Third-Party invoices for costs.

2.9 Insurance provided by the *Employer*.

As stated in Contract Data and as per Annexure A within this Service Agreement.

2.10 Training workshops and technology transfer

The Service Manager may request a detailed workshop or bar charts which fit into the logic and time span of the Accepted Programme and reflects the required manufacturing completion dates.

The Contractor should create a programme for training on the plant for the Employer's nominated employees if required from the Service Manager.

This training should be relevant for the Employer's employees to perform front line fault finding or maintenance.

2.11 Design and supply of Equipment

Details of the design of Equipment is shared with the *Service Manager*, not necessarily for his acceptance but, as an assurance that the Equipment will be able to allow the *Contractor* to Provide the Service efficiently and without delay.

Also, the *Employer* may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of such Equipment.

The *Contractor* submits particulars of the design of an item of equipment to the *Service Manager* for acceptance when the *Service Manager* instructs him to. A reason for not accepting is that the design of the item will not allow the *Contractor* to provide the service in accordance with the Service Information, accepted plan or the applicable law.

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

2.12.1 Equipment

The Contractor is to hand over a serviceable plant to the Employer by the end of this contract.

2.12.2 Information and other things

At the end of the service period or earlier termination of this contract the Contractor shall make available to the Employer all records and information relating to the service carried out under this contract at no extra cost to the Employer excluding the Contractor's intellectual property

A service report should be compiled after the outage, service report should have the following documents the results of the test performed during the outage, the plan or schedule of the outage planned versus actual work performed, the indication of the work or activities performed during the outage and any additional work should also make part of this document.

The cost of the outage should also form part of the document (quotation before work is performed and the final invoice after assessments agreed by both the contractor and the contract manager)

2.13 Management of work done by Task Order

A Task is work within the service which the Service Manager may instruct the Contractor to carry out within a stated period.

A signed Task Order is the Service Manager's instruction to carry out a Task.

Task Completion is when the Contractor has done all the work in the Task and corrected Defects which would have prevented the Employer or Others from using the Affected Property and Others from doing their work.

Task Completion Date is the date for completion stated in the Task Order unless later changed in accordance with this contract.

A Task Order includes:

- A detailed description of the work in the Task
- A priced list of items of work in the Task in which items taken from the Price List are identified.
- The starting and completion dates for the Task
- Conditions of the service agreement is in accordance with the Task Order issued

The Service Manager consults the Contractor about the contents of a Task Order before he issues it.

The Prices for items in the Task price list which are not taken from the Price List are assessed in the same way as compensation events.

No Task Order is issued after the end of the service period.

Work will not commence on site without the Contractor receiving a signed detailed task order that has been agreed upon by the Service Manager and the Contractor.

It is the Contractors responsibility to provide the Service Manager a detailed Task Order programme for acceptance within the period stated in the Contract Data.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

Safety

Eskom Life Saving Rules

The *Contractor* shall comply with the health and safety requirements that follow: -

Acknowledgement of Eskom's OHS rules and requirements (Annexure B)

Ensure that all applicable rules and requirements are referenced in this form in order for the supplier to acknowledge and comply with them. Ensure that this completed form is included in the enquiry procurement package. To be signed and submitted by the tenderer.

Baseline OHS Risk Assessment

Refers to the OHS hazards/aspect and risks/impact that are identified and assessed before the inception of a new project and commencement of operations. The baseline risk assessment shall include both routine and non-routine tasks.

Competency

A person who, in respect to the work that has to be done, has the required training, knowledge and experience, and, where applicable, qualifications relevant to that work or task. Provided that where appropriate qualifications and training are registered in terms of the provisions of the National Qualifications Framework Act, No 67 of 2008, those qualifications and training must be regarded as the required qualifications and training, and is familiar with the Act and applicable regulations made under the Act.

- First aider (If or when applicable)
- OHS professional (If or when applicable)
- Incident investigator (If or when applicable)

Health and Safety Plan

Means a site, activity or project documented plan in accordance with the clients OHS requirements. The plan must be scope or project based. The plan must reflect an organised system (method statements, processes, resources etc) which the supplier will comply with and enforce to manage the OHS risk during the lifecycle of the project. This can also be in the form of an OHS manual.

Valid letter of good standing

Registration with the Compensation Commissioner (COID) or a licenced mutual company or an equivalent of it (for international bidders). If a company has only one employee (CEO, owner), the supplier shall submit an insurance letter that covers accidental death and disability to the value of R500 000 as a minimum.

OHS Policy

A statement of intention by the employer which provides a framework for setting OHS objectives to improve OHS performance and emphasises management commitment to employees' wellbeing and duty of care to the environment.

Costing for Health and Safety

Has the tenderer submitted costing for OHS management activities?

OHS costing must reflect the amount of funds that will be allocated for OHS when the project commences (This is a breakdown of the bulk OHS costing in the bill of quantities) and it should be based on the scope of work and the associated risk. The items to be included are not limited to the following: -

PPE, OHS training, OHS professionals, first aid equipment, Ablution facilities, Safety signs, safety campaigns or interventions, OHS equipment/instruments, medical examinations etc

Five Life Saving Rules have been developed that will apply to all Eskom employees, agents, consultants and Contractors.

- Rule 1: Open, Isolate, Test, Earth, Bond, And/or insulate before touch - that is any plant operating above 1000 V.
- Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
- Rule 3: Buckle up – no person may drive any vehicle on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.
- Rule 4: Be sober -no person is allowed to work under the influence of drugs and or alcohol.
- Rule 5: Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

	Health and Safety requirements that the contractor shall comply with	Yes, No or Comment
1.	Detailed costing for Health and Safety based on the overall scope of work/service to be performed	
2.	Job Specific SHE Plan (indicate whether employees will have medical certificate)	
3.	Letter of Good Standing with COID Act (Valid)	
4.	Baseline Job Specific HIRA	
5.	Provision of site organogram clearly defining the reporting structure, legal appointments, and training of all appointees i.t.o OHS Act and Regulations	
6.	Demonstration of an adequate Health and Safety Management system	
7.	SHE Policy Document	
8	PPE Policy	
9	Drugs and Alcohol Policy	
10	Provide SHE Performance Records (SHE Performance for the last three years)	
11	Provide SHE Audits Protocol (Monthly Auditing Tool)	
12	Programme to support Matimba Power Station's objective and targets	
13	Covid-19 document	

3.2 Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in below:

- Environmental Coordinator/Rep
 - Must have at least three (3) years related environmental management experience with Qualification (National Diploma/Degree/BTech in Environmental Management.
 - A detailed signed Site Environmental Officer Appointment Letter.
- Environmental policy

The policy statement should Commit to:

 - Environmental compliance and
 - Duty of care or pollution prevention commitments
- Environmental management plan

The EMP addressing anticipated impacts as per scope of work consisting of the following but not limited to:

 - Activities that have a significant environmental impact on the environment and illustrate the approach and methodology on how the impacts and risks will be managed.
- Waste management plan
 - The WMP should describe the waste streams related to the scope of work, illustrate the method on how waste will be managed.
- Emergency Preparedness and Response Plan (EPRP)

- The plan should describe how emergencies will be managed (e.g. chemical spillages, fire, environmental incidents etc.)
- Aspect and impact register
 - Provide Environmental Aspects & Impacts Register as per scope of work
- Hazardous/ Chemical Substances
 - Where applicable, a list of hazardous chemical substances to be utilised on site accompanied with Safety Data Sheet (SDS)
 - Proof of training and skills of persons performing significant activities (e.g. hazardous chemical substances handling)
- Method Statement

Adequate understanding of the project as a whole, and methodology reflect this. Does it give an indication that the scope of work has been catered for appropriately?

The suitable service provider for the services of refurbishment or Maintenance of hydraulic and pneumatics equipment and spares during outages shall be:

The supplier shall conduct his/her activities within the requirements of ISO 14001:2015 as Matimba Power Station is ISO 14001:2015 certified.

The supplier shall prepare a method statement for the works, entailing all process to be undertaken, identifying environmental aspects and impacts related to the tasks and their mitigation measures.

The supplier shall prepare a document /process flow/strategy for management of waste to emanate from the work activities, e.g. scrap metal/hazardous waste generated/sandblasting grits.

Spill prevention procedure and equipment must be in place during the checking of oil on the cylinders.

The supplier shall prepare an environmental file which must be submitted to the perusal and approval by Environmental Officer prior to commencement of works. The file shall be prepared in line with the ISO 14001:2015 standard requirements.

The supplier shall adopt and implement a zero liquid effluent discharge (ZLED) policy throughout their processes.

The supplier shall have a process for reporting of environmental incidents to Eskom representative for the duration of the project.

Matimba Environmental Management System Implementation Guideline (PG/240/006)

Matimba Management of Waste at Matimba Power Station (PS/244/001)

National Environmental Management Act (107 of 1998)

National Environmental Management: Waste Act (59 of 2008)

3.3 Quality assurance requirements

Eskom appointed QC to inspect all the repairs on the Coal Bunkers before work is deemed complete. The contractor will adhere to international and Eskom specifications. The *contractor* shall supply all test certificates and data books for the work on the Coal bunkers.

Category 3 Quality Requirements as per Supplier Quality Management Specification

QUALITY		
Category 3: Quality Requirements		Deliverables to be evaluated indicator = 1
		Apply =1
SECTION A: Quality Management System Requirements ISO 9001 Objective evidence of documented QMS that is not certified but complies with ISO 9001	A.1 QMS Manual or a document that defines and describes the QMS and its scope	1
	A.2 Quality Policy Approved by top management.	1
	A.3 Quality Objectives Approved by top management.	1
	A.4 Control of documented information (i.e. document and record control) Clause 7.5 of ISO 9001:2015	1
	A.5 Documented information for Control of nonconforming outputs Clause 8.7 of ISO 9001:2015	1
	A.6 Documented information for Nonconformity and Corrective action Clause 10.2 of ISO 9001:2015	1
	A.7 Documented information for Internal audit Clause 9.2 of ISO 9001:2015	1
Section A Score		7
SECTION B: Evidence of QMS in operation (Tender Quality Requirements -Ref 240-105658000)	B.1 Documented information for defined roles, responsibilities and authorities - Organization chart and Responsibility matrix (must include but not limited to quality management function/role) (Clause 5.3 of ISO 9001:2015)	1
	B.2 Documented information for Control of Externally Provided Processes, Products and Services - Must include criteria for evaluation, selection, monitoring of performance, and re-evaluation of external providers <i>(Provide a copy of process/procedure regarding the assessment, selection, management and auditing of suppliers and subcontractors with supporting evidence (reports or records of how his process was implemented)</i> (Clause 8.4 of ISO 9001:2015)	1
Section B Score		2
SECTION C: Contract Quality Plan Requirements (Ref 240-105658000 and 240-109253698). Draft Contract Quality Plan specific to the scope of work as described in the tender documents (Ref ISO 10005)	NB! Draft Contract/Project Quality Plan has important QA deliverables	1
Section C Score		1
SECTION D: Quality Control Plan Requirements (Ref 240-105658000 or 240-109253302) QCP /Checklist/ ITP (Quality Control Plans) as per Scope of Works (Ref ISO 10005)	NB! Draft/ Example of an Inspection and Test Plan (ITP) or Quality Control Plan (QCP) on similar and/ or previous work done	1
Section D Score		1
SECTION E: User defined additional Requirements & miscellaneous (Ref 240-	E.1 Form A is completed and signed.	1

105658000)	E.2 Documented Information/Procedure on Control of Welding Consumables (That includes Stainless Steel Welding Consumables).	1
Customer specific requirements & other standards and required can be listed and evaluated here		
Section E Score		2

- The supplier shall complete and sign Form A (Enquiry/Contract/Quality Requirements for Supplier Quality Management Specification 240-105658000/ QM 58 and ISO 9001).
- The supplier shall submit objective evidence of a developed QMS that complies with ISO 9001 (or the latest applicable revision). The following documented information (approved/ signed copies) shall be submitted:
 - o Quality management system manual or a (documented information) that have defines and describes the QMS and its scope
 - o Quality Policy, aligned with the supplier's strategic direction (documented information)
 - o Quality Objectives (documented information)
 - o Control of documented information (both maintain and retain documented information)
 - o Internal audit procedure (documented information)
 - o Control of nonconforming outputs (documented information)
 - o Nonconformity and Corrective action procedure (documented information)
 - o Preservation (Storage) Procedure (documented information)

The QMS should drive all the supplier's business management processes to ensure that all of Eskom's requirements are fully met on a consistent basis.

- The supplier shall submit a draft contract quality plan that is specific to the scope of work as described in the tender documents. The plan must address the minimum requirements as per ISO 10005.
 - Submit example inspection and test plan (ITP) or quality control plan (QCP).
 - The supplier shall submit documented information for Control of Externally Provided Processes, Products and Services.
 - The supplier shall submit a copy of documented information for roles, responsibilities and authorities in relation to the QMS. Examples of relevant documented information are; organization charts, job descriptions, work instructions, duty statements, manuals, procedures.
- NB: specific requirements per tender will be selected using the List of Tender Returnables document (240-12248652).

4 Procurement

4.1 People

4.1.1 Minimum requirement of people employed

It is the Contractor's sole responsibility to ensure all its employees have permits to perform work in the Republic of South Africa.

4.1.2 BBBEE and preferencing scheme

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.

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

Where, as a result, the Contractor's B-BBEE status has decreased since the starting date the Employer may either re-negotiate this contract or alternatively, terminate the Contractor's obligation to provide the service.

Failure by the Contractor to notify the Employer of a change in its B-BBEE status may constitute a reason for termination will be dealt with according to the NEC3 TSC penalty/termination clauses.

4.1.2 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)

4.1.3.1 Corporate social Investment (CSI)

CSI of 1% to mutually agreed initiative by Matimba Power Station

4.1.3.2 South Africa (SDI&L Skills development)

4.1.3.3 Retention

4.1.3.4 Reporting

4.2 Subcontracting

4.2.1 Preferred subcontractors

4.2.2 Subcontract documentation, and assessment of subcontract tenders

4.2.3 Limitations on subcontracting

4.2.4 Attendance on subcontractors

4.3 Plant and Materials

4.3.1 Specifications

The contractor may make use of Eskom mechanical workshop for any Bending and cutting required.
The contractor will supply the machinery, tools, access ladders, DB boards, equipment and consumables.
The contractor shall supply the lifting equipment such as, winch and forklift for lifting of materials/spares

4.3.2 Correction of defects

Correction of defects

The *Employer* to notify the *Contractor* within seven (7) days after the Defect becomes visible
The time to respond to a Defect notification will be between one (1) and seven (7) days depending on the extent of the Defect and access to the Affected Property
The inspections and repairs to be done according to the resolution meetings consisting of, project manager Eskom and contractor, system engineer, Quality Control inspectors, planner and site manager.

4.3.3 Contractor's procurement of Plant and Materials

The contractor shall be responsible for safe handling of the material at their workshops and during transportation.

4.3.4 Tests and inspections before delivery

Eskom must approve all QCP's prior to any commencement of each task order. Eskom appointed QC to inspect and be involved in all inspection activities. The contractor will adhere to international and Eskom specifications.

4.3.5 Plant & Materials provided "free issue" by the *Employer*.

All plant and materials are to be provided by *Eskom*.

The contractor shall provide people to assist with the handling of the material at the workshops.

The employer shall provide the workshop which is equipped with machines and artisans preparing the required material and spares.

The contractor shall notify the project manager 3 days in advance for the notification of the workshop booking.
The contractor shall have a designated spares expeditor that will communicate with the project manager and the workshop supervisor.

5 Working on the Affected Property

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

Employer's site entry and security control, permits, and site regulations.

Lost permits will be paid for by the Contractor to Protective Services at a cost of R 100-00 or as per current requirement per lost permit. After the completion of the work the Contractor shall return all personal access permit issued to the security.

Only work vehicles with an approved permit will be allowed on site. These vehicles are to be in a serviceable condition and road worthy.

No private vehicles will be allowed onto site.

Arrangements must be made with the Contract Manager well in advance to allow sub-contractors and visitors onto site.

The transport of any equipment onto the site must be declared and documented at Protective Services in order to facilitate the future removal thereof.

The contractor shall send a list of all the employees that will be on Matimba site to security for the security clearance, at least 3 weeks in advance as the property is a National key point.

The contractor shall make sure that all the employees have permits to enter the site and always available on persons.

The contractor shall make sure that the employees are always dressed in the PPE with company name.

The contractor shall make sure that the employees are always restricted to their working area and plant.

The contractor shall make sure that housekeeping is always at good condition.

All Contractors will ensure that they are informed of all the requirements of Eskom's Plant Safety Regulations and ORHVS and that they always comply to the requirements of these Regulations.

All Supervisors of contracting companies who are directly involved with Eskom's Permit to Work System shall be trained and successful completion of Matimba authorization / evaluation process may be authorized as Responsible Persons.

The Responsible Person shall ensure that:

- The conditions of permits and cautionary notices are strictly adhered to.
- The lockout procedures, mechanical as well as electrical are strictly adhered to and any deviations shall be corrected immediately.
- The safe work procedures as laid down by Matimba Power Station and as determined by the Risk Assessment shall be followed.

The workers register and cautionary notices are discussed daily with workers.

- At least one supervisor shall be authorized as responsible person to take out Permits to work on plant as per Eskom Plant Safety Regulations.

Police clearance

All Contractor personnel are to undertake Police clearance. Certificates must be provided to the Site Service Manager at least 2 weeks before commencement of work. The Site Service Manager reserves the right to refuse entry to all persons whose criminal records indicate that their presence on site might create an unsafe and insecure environment to the specific Power Station. The Site security office can be used to guide the process.

5.2 People restrictions, hours of work, conduct and records

The contractor shall adhere to the working hours as granted by the department of labour on outages.
The contractor shall complete and keep records of the employees' time sheets and readily available for the project manager.
The contractor shall insure that the employees do not sleep in the plant.
The Contractor keeps records of his people working on the Affected Property, always including those of his Subcontractors.

5.3 Health and safety facilities on the Affected Property

Please refer to SHE Requirements for Contractors

5.4 Environmental controls, fauna & flora

General environmental requirements referred to in section 3 above.

5.5 Cooperating with and obtaining acceptance of Others

N/A

5.6 Records of Contractor's Equipment

The Contractor will always keep record of his equipment on site with relevant inspections carried out. Inspection reports should be accessible by the Service Manager at any given time when he deems necessary.

All equipment or tools signed in by the Contractor should strictly adhere to the gate access rules and procedures.

All Equipment including hired should be inspected and approved before accepted on site.

The Contractor will keep records of all hired Equipment to execute the Service Information

5.7 Equipment provided by the Employer

The Employer may allow the Contractor for the execution of the Contract Works the reasonable use of its workshops cranes tools and equipment provided that the Employer's own work and business are not interfered with in any manner by such use. The Contractor shall leave all workshops, cranes, tools, and equipment in as good a condition as he found them, fair wear and tear excepted and shall be liable for any damages by the Employer as a result of any act of negligence by the Contractor, his employees or sub-contractor while using such workshop, cranes, tools and equipment.

The Employer may provide workshop and machining facilities to assist the Contractor with the execution of the Contract Works. The priority of work to be executed shall be determined by the Employer who shall also approve of the manner of execution of work which cannot be reasonably executed at the Site workshop

5.8 Site services and facilities

5.8.1 Provided by the Employer

The following services are provided by the Employer during the periods stated:
The Employer will provide a Contractor on site for the duration of works.
Electricity, potable water, toilet facilities, compressed Air.

The provision of the above is related to the use of the present facilities.

For the purpose of expediting the Contract Works, the Employer may make facilities and services available to the Contractor as hereinafter provided at no cost to the Contractor. The Contractor will not receive any reimbursement or make any charge relative to the beneficial use of the facilities or services.

Employer to provide RP and AS training and certification.

The Employer is to supply all power cables from supply points within the station to the Contractor's DB boards which are placed in close proximity to the working areas and the Employer is to connect to Contractor's termination point in the DB boards.

Any plant performance or process guarantees.

Any design (mechanical or process) work or drawing supply.

Any time related penalties.

Any refurbishment or repair work unless specifically stated in the Works Information

5.8.2 Provided by the Contractor

All health & safety equipment, as per OHS Act 85 of 1993, Matimba Power Station safety policy and SHE - system requirements, which is obtainable from Risk services.

Accommodation is for the Contractor's own account. Should use be made of Eskom Accommodation, they are to be official occupants of the room.

All tools to be provided to complete the contract works.

All workshop machinery to be provided to complete the contract works.

All Office Container, equipment and change rooms for their employees.

Telephone bills will be paid by the Contractor.

The Quality control plan and budget quote for the actives that will be performed during the outage should be submitted four months before the outage after the Contractor has received a formal notification to perform work in term of the following documents scope of work for that specific outage.

A schedule or plan and safety file for the actives that will be performed during the outage should be submitted three months before the outage after the Contractor has received a formal notification to perform work in term of the following documents scope of work for that specific outage, task order with a 45 number. The schedules should be either in Microsoft projects or primavera and daily process feedback should be submitted to the outage planner for update of the integrated program of the outage.

A resource power curve should also be supplied three months before the outage indicating the varies skills need for the outage on each day, until the contractor completes their tasks as per scope of work.

If portable two-way radios are to be used, the type and make must be approved by the Contract Manager.

Attendance at meetings as considered necessary by the Contract Manager.

Removal of redundant material to allocated sites. No scrap shall be stored in the Contractor's yard.

Scrap is to be cleared from Site daily

Service Report (hard and soft copy) this document must be handed to outage management within a month after the outage execution, these documents must include the inspection report and findings decisions after the inspection.

NOTE: Due to the system planning some outages are scheduled during December period, therefore Contractor is required to perform work around that time as per the contract.

5.9 Control of noise, dust, water and waste

All waste introduced to and/or produced on Employer's Premises by the Contractor for this order, must be handled in accordance with the minimum requirements for the Handling and Disposal of hazardous waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry 1994 Ref.: BN0621-16296-5. (A copy of this document is available at the Power Station for reference purposes).

Provide sufficient storage containers, labelled depicting general or hazardous waste and store in a designated storage area.

No hazardous waste may be stored for a period of more than 90 days on the Matimba Power Station's premises.

Ensure that all hazardous waste is disposed of at a licensed Class H disposal site. A copy of the hazardous waste disposal certificate must be submitted to the Service Manager.

Ensure that the Contractor's site does comply with the general good housekeeping practices. Redundant material will be removed to allocated sites. No scrap shall be stored in the Contractor's yard. Scrap is to be cleared from Site daily.

5.10 Hook ups to existing works

Any work performed at heights, must adhere to the correct safety standards, procedures and specifications stated in the health and safety risk management of Matimba Power Station.

5.11 Tests and inspections

5.11.1 Description of tests and inspections

The Contractor gives at least 48 hours in advance notification to the Supervisor or the Authority for inspection/test and hold or witness points, which require their attendance. The Contractor confirms readiness for inspection at least 24 hours prior to the test.

The Contractor ensures that all work has been fully inspected, accepted and documented prior to requesting any inspection by the Supervisor.

The Contractor and the Employer provide materials, facilities and samples for tests and inspections as stated in the Service Information.

5.11.2 Materials facilities and samples for tests and inspections

The Contractor shall ensure that Coal Bunkers are inspected in order to evaluate the repair work done for which he will be responsible. All inspection arrangements with Matimba Power Station Engineering Department will be made 24 hours in advance.

6 List of drawings

6.1 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
None		