NEC3 Term Service Contract (TSC3)

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

and

for **The refurbishment, Repair, Inspection and Maintenance of Dust Handling Plant (DHP) equipment at Lethabo Power Station during planned outage opportunities for the period of Five(5) years.**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

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

C1.1 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:

The refurbishment, Repair, Inspection and Maintenance of Dust Handling Plant (DHP) equipment at Lethabo Power Station during planned outage opportunities for the period of Five(5) years.

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

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

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

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

Signature(s) .....

Name(s) .....

Capacity .....

For the tenderer: .....

(Insert name and address of organisation)

Name & signature of witness ..... Date .....

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

[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 original copy of this document, including the Schedule of Deviations (if any).

Signature(s) .....

Name(s) .....

Capacity .....

for the Employer

.....

(Insert name and address of organisation)

Name & signature of witness .....

Date .....

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

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

Note:

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

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

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

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

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

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	**General**	
	The *conditions of contract* are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	**W1: Dispute resolution procedure**
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		X4 : Parent Company Guarantee
		X13: Performance Bond
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: *Additional conditions of contract*
	of the NEC3 Term Service Contract (June 2005)[2]	
10.1	The *Employer* is (name):	**Eskom Holdings SOC Limited (Reg No: 2002/015527/06), a juristic person incorporated in terms of the company laws of the Republic of South Africa**
	Address	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**(011) 800-8111**
10.1	The *Service Manager* is (name):	
	Address	**Lethabo Power Station Private Bag X 415 Vereeniging 1930**
	Tel	
	Fax	

[2] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

	e-mail	
11.2(2)	The Affected Property is	**[●]**
11.2(13)	The *service* is	**The refurbishment, Repair, Inspection and Maintenance of Dust Handling Plant (DHP) equipment at Lethabo Power Station during planned outage opportunities for the period of Five(5) years.**
11.2(14)	The following matters will be included in the Risk Register	**[●]**
11.2(15)	The Service Information is in	**Part 3: Scope of Work and all documents and drawings to which it makes reference.**
12.2	The *law of the contract* is the law of	**the Republic of South Africa**
13.1	The *language of this contract* is	**English**
13.3	The *period for reply* is	**2 days**
2	**The *Contractor*'s main responsibilities**	To deliver the work as per works information as associated documentation provided by the Employer
21.1	The *Contractor* submits a first plan for acceptance within	
3	**Time**	
30.1	The *starting date* is.	
30.1	The *completion date* is	
4	**Testing and defects**	**No data is required for this section of the *conditions of contract*.**
5	**Payment**	
50.1	The *assessment interval* is	**Completion of each task order**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	**4 weeks.**
51.4	The *interest rate* is	**(i) zero percent above 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 (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and** **(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if**

		no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	**Compensation events**	(If the optional statement for this section is not used, no data will be required for this section)
	These are additional compensation events:	**1 [•]** **2 [•]**
7	**Use of Equipment Plant and Materials**	**No data is required for this section of the *conditions of contract*.**
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	**NO**
83.1	The *Employer* provides these insurances from the Insurance Table	**as stated for "Format TSC3" available on** http://www.eskom.co.za/live/content.php?Item_ID=9248 **(See Annexure A for basic guidance).**
83.1	The *Employer* provides these additional insurances	**as stated for "Format TSC3" available on** http://www.eskom.co.za/live/content.php?Item_ID=9248 **(See Annexure A for basic guidance)**
83.1	The minimum amount of cover for insurance against loss and damage caused by the *Contractor* to the *Employer*'s 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/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the *Employer* is:	**the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on** http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the *Employer*'s property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor*'s Providing the Service for any one event is:	**whatever the *Contractor* deems necessary in addition to that provided by the *Employer*.**
83.1	The minimum limit of indemnity for	**As prescribed by the Compensation for**

	insurance in respect of death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract for any one event is:	**Occupational Injuries and Diseases Act No. 130 of 1993 and the *Contractor's* common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..**
9	**Termination**	**NEC3 Contract will be used.**
10	**Data for main Option clause**	
A	**Priced contract with activity schedule**	
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	**[●] weeks.**
11	**Data for Option W1**	
W1.1	The *Adjudicator* is (Name)	**Either State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him.**
	Address	**[●]**
	Tel No.	**[●]**
	Fax No.	**[●]**
	e-mail	**[●]**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za)**
W1.4(2)	The *tribunal* is:	**arbitration**
W1.4(5)	The *arbitration procedure* is	**the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.**
	The place where arbitration is to be held is	**[●] Johannesburg South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**
12	**Data for secondary Option clauses**	
		The items & activities will be paid in the other currency in accordance with an alternative payment method agreed with

		the *Employer* before the Contract Date.
X1	**Price adjustment for inflation**	
X1.1	The *base date* for indices is	**[●].**
	The proportions used to calculate the Price Adjustment Factor are:	**proportion** / **linked to index for** / **Index prepared by** **45%** / Labour / C-3 (AHPE) **35%** / Material / G-1 (Mechanical Engineering) **5%** / Preliminary and General / D-4 (CPI) **15%** / **Fixed / non-adjustable** **100%**
X2	**Changes in the law**	**No data is required for this Option**
X4:	**Parent company guarantee**	**There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.**
X13	**Performance bond**	
X13.1	**The amount of the performance bond is**	**R [●]**
X17	**Delay damages**	**2% of the task order value per day up to the maximum 15% of the total task order value**
X17.1	The *service level table* is in	**[●]**
X18	**Limitation of liability**	
X18.1	The *Contractor*'s liability to the *Employer* for indirect or consequential loss is limited to	**R0.0 (zero Rand)**
X18.2	For any one event, the *Contractor*'s liability to the *Employer* for loss of or damage to the *Employer*'s property is limited to	**the amount of the deductibles relevant to the event**
X18.3	The *Contractor*'s liability for Defects due to his design of an item of Equipment is limited to	**The greater of** • **the total of the Prices at the Contract Date and** **the amounts excluded and unrecoverable from the *Employer*'s insurance (other than the resulting physical damage to the *Employer*'s property which is not excluded) plus the applicable deductibles**

X18.4	The *Contractor*'s total liability to the *Employer*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	**The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **Defects due to his design, plan and specification,** • **Defects due to manufacture and fabrication outside the Affected Property,** • **loss of or damage to property (other than the *Employer*'s property, Plant and Materials),** • **death of or injury to a person and infringement of an intellectual property right**
X18.5	The *end of liability date* is	**[●] months after the end of the *service period*.**
X19	**Task Order**	
X19.5	The *Contractor* submits a Task Order programme to the *Service Manager* within	**[●] days of receiving the Task Order**
Z	**The *additional conditions of contract* are**	**Z1 to Z11 always apply.**

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

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

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

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

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

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

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary

supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

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

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

Z4 Ethics

Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor*'s obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).

Z4.2 The *Employer* may terminate the *Contractor*'s obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

Z5 Confidentiality

Z5.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.

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

Z5.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

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

such images vests exclusively in the *Employer*.

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

Z6 Waiver and estoppel: Add to core clause 12.3:

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

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

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

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

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

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

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

Z8.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z8.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer*'s VAT number 4740101508 on each invoice he submits for payment.

Z9 Notifying compensation events

Z9.1 Delete from the last sentence in core clause 61.3, "unless the *Service Manager* should have notified the event to the *Contractor* but did not".

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 under the compensation events stated in 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 judicial management 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. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer*'s "works" type policy which may be in place for the *Employer*'s portion of the Affected Property concerned or against the *Employer*'s assets policy which may be in place for the *Employer*'s portion of the Affected Property concerned, or both.

2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.

3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to **'Format TSC3'** to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.

4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.

5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.

6. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

http://www.eskom.co.za/live/content.php?Item_ID=9248

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

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

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za

Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

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

C1.2 Contract Data

Part two - Data provided by the *Contractor*

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

Notes to a tendering contractor:

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

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

Clause	Statement	Data
10.1	The *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted fee percentage* is	**%** **%**
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the *Contractor*'s plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job	

[3] Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

Responsibilities:

Qualifications:

Experience:

		CV's (and further key person's data including CVs) are in .
A	**Priced contract with price list**	
11.2(12)	The *price list* is in	
11.2(19)	The tendered total of the Prices is	**R**

Part 2: Pricing Data

TSC3 Option A

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

C2.1 Pricing assumptions: Option A

1 How work is priced and assessed for payment

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

Identified and defined terms 11 11.2 (12) The Price List is the *price list* unless later changed in accordance with this contract.

(17) The Price for Services Provided to Date is the total of

- the Price for each lump sum item in the Price List which the *Contractor* has completed and
- where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate.

(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

2 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.

3 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).

4 Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor:*

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
- Understands the function of the Price List and how work is priced and paid for;
- Is aware of the need to link operations shown in his plan to items shown in the Price List;
- Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

4.1 Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

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

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

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

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

C2.2 The *price list*

Item	Description	Unit	Rate
1	**Conveyor**		
1.1	Refurbishment of Front Transfer Conveyor (double)	Each	
1.2	Refurbishment of Front Transfer Conveyor (single)	Each	
1.3	Refurbishment of Front Collecting Conveyor	Each	
1.4	Refurbishment of Rear Collecting Conveyor	Each	
1.5	Refurbishment of Overbunker Conveyor	Each	
1.6	Refurbishment of Overbunker Conveyor	Each	
2	**Slide Gate**		
2.1	Refurbishment of Hopper Converyor Silde Gates 300mm	Each	
2.2	Refurbishment of Hopper Converyor Silde Gates 400mm	Each	
2.3	Refurbishment of Hopper Converyor Silde Gates 1000mm	Each	
2.4	Refurbishment of Double Flap Valves	Each	
3	**Dust Handling Plant (DHP) repairs per Outage**		
11	Health and Safety Cost	Per Outage	
12	Forklift	Per Outage	
13	Site De/Establishment	Per Outage	

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	
C3.1	*Employer*'s Service Information	
C3.2	*Contractor*'s Service Information	
	Total number of pages	17

C3.1: EMPLOYER'S SERVICE INFORMATION

Description of the *service*

The scope of work is **the refurbishment, Repair, Inspection and Maintenance of Dust Handling Plant (DHP) equipment at Lethabo Power Station during planned outage opportunities for the period of Five(5) years.**

There will be an outage scope of work that will be handed over prior to outage which will **determine the exact work to be completed per outage, this is based on inspection**

The scope of work comprises of the following:

1. TRANSFER CONVEYORS

Inspect both transfer streams for ash leaks and overhaul front and rear conveyors on A and B Stream.

- Replace casings with Buhler type casings (Only for old type casing)
- Replace wear rails.
- Replace flight/chain.
- Replace tension units.
- Top up gearbox oil.
- Inspect/Replace fluid drive coupling.
- Replace high speed coupling bushes.
- Repack drive shaft and return idler shaft glands with suitable gland packing.
- Replace damaged expansion joints.
- Tension chain.
- Repack all easy opening door seals with felt material making sure that a dust tight seal is achieved.
- Replace under tension detection arm and bearings.
- Tighten all the hold-down bolts

2. HOPPER CONVEYORS

- Inspect all casings for leaks and repair/replace casings, wear rails, bottom plates, sprockets, and tension units if necessary.
- Inspect and refurbish all bottom plates if required.
- Replace flight/chain.
- Replace casings with Buhler type casings (Only for old type casing)
- Repack the drive shaft and return idler shaft glands with suitable gland packing.
- Refurbish/Replace all defective slide gates on the DHP together with its ancillary equipment (lubricator bottles, pipework, solenoids, etc).
- Make sure that the slide gate-plate is moving freely and is sealing.
- Replace all defective expansion joints.
- Inspect and replace drive and end stations if necessary.
- Repair all casing supports / structures
- Repair all casings where necessary (Patchwork where the structure is corroding).
- Repack all easy-opening door seals with felt material.
- Open, clean, and replace bearings (Tail and drive).

- Replace all defective flap valves.
- Replace under tension detection arm and bearings.
- Ensure hoppers are blocked off during and after casing washing/repairs to prevent foreign materials from entering the casings

3. OVERBUNKER CONVEYOR

- Replace/overhaul over bunker conveyor completely.
- Open top inspection cover plates and doors.
- Repair all leaks, replace chains, wear rails, bottom plates & expansion joints.
- Top up gearbox oil.
- Refurbish/Replace all defective slide gates.
- Replace all defective expansion joints.
- Clean and inspect the slide gate lubricator and all air pipework and refill the lubricator with suitable oil if required.
- Make sure that the slide gate-plate is moving freely and is sealing.
- Open, clean, and replace all bearings (Tail and drive)
- Inspect and replace sprockets if worn beyond 2.5mm.
- Replace under tension detection arm and bearings.
- Repack all easy-opening door seals with felt material

4. BUCKET ELEVATORS (A&B STREAM)

- Thoroughly inspect the condition of the belt on both streams
- Open inspection covers. Remove all old buckets from the belt. Remove the bottom/tension pulley. Remove old belt by utilizing ten-ton winch. Replace dove tails and traction pads on top / drive pulley.
- Refurbish the bottom pulley.
- Replace top slats.
- Repair leaks on both the ash conveying side and on the vacuum plant.
- Inspect clean and replace if needed bucket inlet and outlet grizzlies. Repair any damage to outlet chute. Replace belt. Splice bucket belt by making use of supplied mechanical splice plate. The contractor only to assist Eskom personnel with this activity.
- Reassemble bottom pulley bearings (repack with high temperature grease) and make sure that air and grease pipes are attached to the bearing assembly
- Both bucket elevators will be serviced; belts will be replaced based on condition and running time.

5. FLAP VALVES REFURBISHMENT

- Inspect, clean and refurbish the mechanical flap valve body, flap/clapper plate, seat/sealing surfaces, shaft, hinges, bushes/bearings, counterweight/spring return arrangement, access covers, gaskets and mounting hardware.
- Remove ash build-up, foreign material and hardened deposits from the valve body, flap seating area and discharge path.
- Inspect flap plates and sealing faces for wear, cracking, corrosion, distortion, erosion and loss of sealing contact; repair or replace defective components where required.
- Inspect and refurbish hinge pins, shafts, bushes/bearings and support brackets to ensure free flap movement without binding, excessive play or misalignment.

- Inspect, adjust and restore counterweights, spring-return mechanisms and closing arrangements to achieve positive flap return and sealing.
- Inspect and restore shaft sealing, gland/packing/labyrinth sealing arrangements and flange joints to prevent ash/dust leakage and loss of airlock or vacuum.
- Replace defective fasteners, guards, access covers, gaskets, seals and worn internal components as required.
- Function test each refurbished mechanical flap valve to confirm free movement, correct closing action, effective sealing and absence of abnormal rubbing, jamming or visible leakage

6. MOTORIZED FLAP VALVES REFURBISHMENT

- Inspect, clean and refurbish the complete motorized double flap valve assembly, including upper and lower flap assemblies, valve body, seats, shafts, bearings, linkages, cam mechanism, gearbox, motor, guards, access panels, seals and mounting hardware.
- Inspect the gearbox, cam, bearings and drive mechanism for wear, oil leaks, seizure, mechanical jamming, misalignment and loss of ash flow control; repair or replace defective items where required.
- Inspect flap plates, seats and sealing faces for wear, erosion, cracking, deformation and poor sealing; refurbish or replace defective components to restore effective airlock and dust-tight operation.
- Inspect and refurbish operating linkages, rod ends, couplings, drive arms, return mechanisms and fasteners to ensure correct movement, alignment and sequencing of the upper and lower flap assemblies.
- Inspect the electric motor, gearbox mounting, drive guards and associated mechanical supports for looseness, corrosion, damage and abnormal vibration or noise.
- Verify correct operating sequence of the double flap valve, including full open/close travel of each flap, correct timing/synchronisation and prevention of simultaneous loss of sealing.
- Restore all sealing arrangements, access cover gaskets, flange joints and shaft seals to prevent ash leakage, air ingress and vacuum loss.
- Function test each motorized double flap valve after refurbishment and record the as-found/as-left condition, replaced parts and test results

7. SLIDE GATE REFURBISHMENT

- Inspect, clean and refurbish all pneumatic slide gate assemblies, including the gate plate/slide blade, frame, guides, retainers, rollers/slides, gland boxes, seals, gaskets, flanges, pneumatic cylinder, clevises, solenoid valves, air pipework/tubing, lubricators, regulators, limit switches and position indication devices.
- Remove ash build-up, hardened deposits and foreign material from the gate body, guides, sealing surfaces and slide path.
- Inspect the gate plate for wear, scoring, corrosion, distortion, cracking and edge damage; repair or replace where required.
- Inspect and refurbish guides, rollers, retainers, sliding surfaces and gland boxes to ensure correct alignment, free travel and effective sealing.
- Inspect and replace defective seals, gaskets, gland packing and sealing strips to prevent ash leakage, air ingress and vacuum loss.
- Inspect the pneumatic cylinder, piston rod, clevis, mounting brackets and stroke arrangement for wear, leaks, misalignment, damage and correct travel.

- Inspect, clean and test solenoid valves, air lines, fittings, lubricator bottles, regulators and associated pneumatic components; replace defective items and refill lubricators with suitable oil where required.
- Verify that the slide gate plate moves freely from fully closed to fully open and seals effectively in the closed position.
- Test local/remote open-close operation, limit switch/proximity switch feedback and open/closed position indication.
- Confirm that all refurbished slide gates are correctly installed, securely fastened and left in the required operational position for return-to-service.

As-and-when-required refurbishment: The Employer may instruct the Contractor to remove, inspect, refurbish, test, reinstall or return slide gates, mechanical flap valves and motorized double flap valves as individual components outside planned outage work. Such work shall be scheduled with Maintenance through an approved work instruction and shall comply with the same technical, quality, safety, reporting and acceptance requirements defined in this Scope of Work

Rear Hopper

Please Note:

- The contractor must supply its own Forklift/Telescopic Loader for the duration of the contract because some activities will require a Forklift/Telescopic Loader.
- To provide the minimum of three Authorised Supervisors (AS) Responsible Person(RP) during outages assessed by Eskom Lethabo Power Station in terms of Plant Safety Regulation.
- The supplier to cover/close DHP inspection holes during Precips washing to prevent water from entering the DHP conveyors.
- Contractor to collect spares from Lethabo Main stores to site and vice-versa
- Bucket elevator bottom pulley's to be assembled by the contractor and Eskom RP to oversee the work/activity.
- Contractor to submit programme using Primavera software.
- Contractor need to be fully involved during hot and cold commissioning.
- Refurbishment must return with a 52 weeks defect free period

Working hours and days during outages:

Note: Working hours will be assessed and work as per Eskom representatives / Project Manager Request **(Either night shift is required or not).**

- ✓ During IN - 24 hours for 7 days consecutive
- ✓ During IR - 24 hours for 14 days consecutive - No night shift = **28 days**
- ✓ During MGO - 24 hours for 22 days consecutive - No night shift = **44 days**
- ✓ During GO - 24 hours for 22 days consecutive - No night shift = **44 days**

The plan for each outage is as follows but this depends on inspection it can be less or more:

During GO Overhaul: Overbunker, A&B Transfers, A&B bucket Elevator, 16 Collecting Conveyors.
During MGO Overhaul: Overbunker, A&B Transfers, A&B bucket Elevator, 12 Collecting Conveyors.

During IR Overhaul: Overbunker, Either A or B Transfer, Either A&B bucket Elevator, 12 Collecting Conveyors.
During IN Overhaul: Either Overbunker or one Transfer, Either A or B bucket Elevator, 04 Collecting Conveyors.

APPENDIX 1A (Hydraulic Tension units)

SCOPE OF WORK / WORKS INFORMATION KNOWLEDGE

Collect, overhaul & deliver hopper conveyor tension unit as follows:

- ✓ Cleaning and structural integrity tests to be done on all components.
- ✓ Pressure control box: New seals and gauges
- ✓ Distributer: New seals
- ✓ Cylinder: New pressure seals and neck seals
- ✓ Control valve: New seals
- ✓ Tank: New seals
- ✓ Accumulator Model no.: HC 2-0-1-1-172: New seals and diaphram, charge with Nitrogen to a working pressure of 2500psi
- ✓ Pressure test to be conducted and test certificates to be submitted to Eskom

APPENDIX 1B (Motorized double flap valves refurbishment)

SCOPE OF WORK / WORKS INFORMATION KNOWLEDGE

Collect, refurbish and deliver double flap valves as per the following scope of work:

- ✓ Replace shaft bearings.
- ✓ Replace flap disc and the seat.
- ✓ Replace the cam mechanism including rollers replacement.
- ✓ Replace / repair faulty motors/geared units.
- ✓

NB: Motors must be of the exact as same specifications as the ones being replaced / repaired.

- ✓ Replace leaking seals (between motor and gearbox).
- ✓ Sandblast and paint.
- ✓ Check frame for deformation & repair if needed.
- ✓ Replace gate plates.
- ✓ Check operation.
- ✓ Refurbished flaps must return with a 52 weeks defect free period.

APPENDIX 2 (Slide gates refurbishment)

SCOPE OF WORK / WORKS INFORMATION KNOWLEDGE

The scope of work is to refurbish slide gates during various outages:
There will be an outage scope of work that will be handed over prior to outage which will determine the exact work to be completed per outage

The scope of work comprises of the following:

- ✓ 40 x 300mm – Hopper Conveyor Slide gates
- ✓ 16 x 400mm – Hopper Conveyor Slide gates
- ✓ 12 x 1000mm – Transfer Conveyor Slide gates

Mechanical unit:

- Check frame for deformation & repair if needed.
- Replace gate plate.
- Replace support pins.
- Replace seal strips.
- Replace gland packing in stuffing box.
- Replace striker arm.
- Assemble.
- Sandblast and paint mild steel units.
- Indicate the direction of the slide gates orientation with an arrow (to ensure they are not installed upside down).

Pneumatic Cylinders:

- Check operation.
- Replace piston seals.
- Hone/Replace cylinder if needed.
- Replace cylinder front seal.
- Replace/install solenoid valve base plate with solenoid manifold on to cylinder.
- Pipe the solenoid manifolds to cylinder.
- Use Eskom specified tubing and fittings.

Note:
The contractor must prove the functioning of the slide gates. Contractor to install striker arm, limit switches brackets and solenoid valve base plates.
Also, the only drawings that we have are assembly drawings; we cannot supply the chosen contractor with detailed drawings, a bill of materials and/or tolerances.
The current brands of slide gates that we have on site are:

- RULA
- BSM
- STEINMULLER

During Commissioning of the plant and Slide gates

- Minimum of two Qualified Artisans / Semi skilled and assistant (Fitters) and One Authorised Supervisor (AS) to be on site to assist with any defects.

QUALITY CONTROL AND INSPECTION

All Dust Handling Plant works shall be subject to quality control and inspection to ensure compliance with this Scope of Work, approved method statements, approved QCP/ITP requirements and applicable Eskom standards. The Contractor shall implement an approved Quality Control Plan detailing the inspection activities, hold points, witness points and acceptance criteria applicable to the work. No work shall proceed beyond an identified hold point without the required inspection and approval.

The Contractor shall:

- Ensure all work is executed in accordance with approved procedures and specifications
- Provide competent personnel to carry out inspections
- Maintain proper records of all inspections and tests

Contractor's management, supervision and key people

The *Contractor* shall have the following key people on site at all times during outages:

- Competent SHE officer.
- Competent Project Manager
- Competent Authorise Supervisor to accept permit to work as per Eskom Plant Safety Regulations
- Competent Artisans

Contract change management

- In an event of compensation event, the *Contractor* shall completed event register and submitted it to the *Employer*.
- The *Contractor* shall request this form from the *Employer*.

Constraints

- The scope of work is uncertain since the extent and type of some damages cannot be defined before the cleaning taking place.
- The *Contractor* shall adherence to the clearly defined project milestones and project management principles to avoid delays.
- **Building rubble must be taken to the building rubble site and not anywhere else.**
- **An estimated volume of building rubble must be submitted to the *Employer's Representative*, prior to dumping on the building rubble site. This shall be verified by the *Employer's* Environmental Section, before and after dumping on the building rubble site.**
- **Work must be done according to the drawings provided (as designed for).**

The *Contractor* is not allowed to do anything other than what has been stipulated in the contract and drawings, unless instructed to do so by the *Employer's representative* in writing.

Management meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Progress meeting	Daily	Outage Management Section Boardroom	Site Manager, Employer's Representative, Safety Officer, QC officer and Planners
Tool box sessions	Every day before commence of work	Site	All the *Contractor's* employees.
Compensation events	As and when required	To be confirmed	*Employer's* and *Contractor's* Representatives
Outage close-out meeting	After the unit has synchronised	Outage Management Section	*Employer's* and *Contractor*

		Boardroom	

Requirements for the program

- The *Contractor* shall submit a program, compiled in Microsoft Project or similar program, which will provide details of the list of activities and the duration of each activity.
- A list of activities and duration of each shall be made available after an instruction to commence work is supplied to the *Contractor* by the *Employer's Representative*.
- All activities and requirements for interfaces between the *Contractor* and *Employer* shall be listed in the program.
- The program shall be updated weekly and will be used to manage all installation activities.
- **The *Contractor* submits a bar chart program one week after award of the contract showing the following:**
    - **The early start and early completion date of each activity.**
    - **The late start and late completion of each activity.**
    - **Planned completion.**
    - **The order and planning of operations which the *Contractor* plans to do in order to provide *the works*.**
    - **The *Contractor* prepares and submits an update, seven days after the start date, showing actual progress and the effect upon the remainder of the activities to be completed.**

Invoicing and payment

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

The *Contractor* shall address the tax invoice to:
Private Bag X415
Vereeniging
1930

And include on each invoice the following information:

Name and address of the *Contractor*

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;
Standards and Procedure

Additional specification

			Applicable
Document No.	**Rev.**	**Title**	**Yes/No**
PS053	1	Intellectual Property	N
LBA 00030	2	Safety with which contractors are to conform at Lethabo Power Station	Y
LBA 00040	0	Lethabo Environmental Procedure	Y
LBA 00049	0	Procedure for Commissioning of New/Modified Plant	Y
LBA 00054	1	Hazardous waste storage and removal procedure	Y
LBA00060		Change Management Procedure	Y
LBA 00067	0	Health, Safety and Environmental Specification for Contractors	Y
LBA 00085	1	Master Permit to Work for declared major outages	N
LBA 00108	0	Contractor's site administration	Y
LBA00121		OHS Act Auth & Appointments	Y
LBA00135	0	Control & Prevention of asbestos exposure at Lethabo	N
LBA00155		SHEQ Risk Assessments	Y
LBA00172		The use and control of solvents and degreasers	N
LBA00180		Lethabo Hot Work Permit	N
LBQ24003		Purchasing-Procurement	Y
LBQ25006		Managing Contract Quality	N
LBQ35005		Compiling & Implementing Quality Control Plans	Y
LBT 00015	0	New or Modifications to Electrical Plant Requirements	N
LBT 00017	0	Limited Access Register Procedure	Y
GGR0992		Plant Safety Regulations for Lethabo Power Station	Y
36 – 698		Quality Requirements For Engineering And Construction Works In Gx	Y
39-29		Framework for developing SHE spec's for construction that is specific	Y
ESKASAAU7	0	Quality Requirements for the Procurement of Assets, Goods and Services	Y

Title	Tick if publicly available
1. Compliance with Basic Conditions of Employment Act (Act 75 of 1997)	x
2. Compliance with Labour Relations Act (LRA)	x
3. Comply with all Eskom Cardinal Rules	x

C4 Site Information

C4.1: Information about the *site* at time of tender which may affect the work in this contract:

Site Procedures and Regulations

Health and Safety Requirements

The *Contractor* and his sub-*Contractor*s ensure at all times compliance with safety regulations imposed by any Act of Parliament, ordinance or any regulation or by-law of any local or statutory authority.

- The *Contractor* acts in accordance with the health and safety requirements stated in the Works Information.

- In carrying out its obligations to the *Employer* in terms of this contract; in providing the Works; in using Plant, Materials and Equipment; and while at the Site for any reason, the *Contractor* complies and procures and ensures the compliance by its employees, agents, Sub-*Contractor*s and mandataries with:

- the provisions of the Occupational Health and Safety Act 85 of 1993 (as amended) and all regulations in force from time to time in terms of that Act ("the OHSA"); and the Eskom "Health, Safety and Environmental specifications for *Contractor*s" document attached to the Works Information (as amended from time to time) and such other Eskom Safety Regulations as are applicable to the Works and are provided in writing to the *Contractor* (collectively "the Eskom Regulations"). The Eskom Regulations may be amended from time to time by the *Employer* and all amendments will be provided in writing to the *Contractor*. The *Contractor* complies with the provisions of the latest written version of the Eskom Regulations with which it has been provided; and the health and safety plan prepared by the *Contractor* in accordance with the SHEQ Requirements

(The OHSA and the Eskom Regulations are collectively referred to as the "SHEQ Requirements".)

- The *Contractor,* at all times, considers itself to be the "*Employer*" for the purposes of the OHSA and shall not consider itself under the supervision or management of the *Employer* with regard to compliance with the SHEQ Requirements, the *Contractor* shall furthermore not consider itself to be a subordinate or under the supervision of the *Employer* in respect of these matters. The *Contractor* is at all times responsible for the supervision of its employees, agents, Sub-*Contractor*s and mandataries and takes full

responsibility and accountability for ensuring they are competent, aware of the SHEQ Requirements and execute the Works in accordance with the SHEQ Requirements.

- The *Contractor* acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorized in terms thereof and who have received sufficient training to ensure that they can comply therewith.

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

- The *Contractor* shall appoint a person who will liaise with the Eskom Safety Officer responsible for the premises relevant to this contract. The person so appointed shall, on request: supply the Eskom Safety Officer with copies of minutes of all Health And Safety Committee meetings, whenever he is required to do so; supply the Eskom Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall advise the Eskom Safety Officer of any changes thereto.

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

- conduct health and safety audits regarding all aspects of compliance with the SHEQ Requirements, at any off-site place of work, or the site establishment of the *Contractor;*
- refuse any employee, Sub*Contractor* or agent of the *Contractor* access to the premises if such person has been found to commit an unsafe act or any unsafe working practice or is found not to be qualified or authorised in terms of the SHEQ Requirements;
- issue the *Contractor* with a stop order should the *Employer* become aware of any unsafe working procedure or condition or any non-compliance with any provision of the SHEQ Requirements.

- The *Contractor* immediately reports any disabling injury as well as any threat to health or safety of which it becomes aware at the Works or on the Site to the *Employer's Representative.*

- The *Contractor* undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

- The *Contractor* appoints a person, qualified in accordance with the SHEQ Requirements, as the liaison with the Eskom Safety Officer for all matters related to health and safety, this person shall be reachable 24 hours a day.

- The *Contractor* confirms that it has been provided with sufficient written information regarding the health and safety arrangements and procedures applicable to the Works to ensure compliance by it and all employees, agents, Sub-*Contractor*s or mandataries with the SHEQ Requirements while providing the Works in terms of this contract. As such, the *Contractor* confirms that this contract and the relevant Eskom Regulations referred to in this contract constitute written arrangements and procedures between the *Contractor* and the *Employer* regarding health and safety for the purposes of section 37(2) of the OHSA.

- The *Contractor* agrees that the *Employer* is relieved of any and all of its responsibilities and liabilities in terms of Section 37(1) of OHSA in respect of any acts or omissions of the *Contractor*, and the *Contractor*'s employees, agents or Sub-*Contractor*s, to the extent permitted by the OHSA.

- The *Contractor* hereby indemnifies the *Employer* and holds the *Employer* harmless in respect of any and all loss, costs, claims, demands, liabilities, damage, penalties or expense that may be made against the *Employer* and/or suffered or incurred by the *Employer* (as the case may be) as a result of, any failure of the *Contractor*, its employees, agents, Sub-*Contractor*s and/or mandataries to comply with their obligations in terms of clause 16, and/or the failure of the *Employer* to procure the compliance by the *Contractor* , its employees, agents, Sub*Contractor*s and/or mandataries with their responsibilities and/or obligations in terms of or arising from the OHSA.

- In carrying out his obligation as the mandatory to the *Employer* for this contract in terms of the National Environmental Management Act No.107 of 1998, the *Contractor* ensures that he complies with the Act when Providing the Services or using plant, materials or equipment.

Permit to Work System

- NO work shall be carried out without a "PERMIT TO WORK"

- The *Contractor*'s Authorised/Responsible Person must satisfy himself that all sources of possible danger are isolated. Details of the Permit to Work system can be found in the Plant Safety Regulations for Lethabo Power Station, Eskom OPR 3305.

- A Master Permit to Work is used on declared major outages, details can be found in local procedure LBA 00085. Permit changes are made during the dead time, if it is required by the *Contractor* that a certain supply be made available or plant tested than this can be applied for at the Outage Management Meeting at least 1 day in advance.

- Plant with a prohibitive sign attached may only be operated by appointed Eskom personnel. Any *Contractor* employee found tampering with such plant will be permanently removed from Site.

Safety Induction Course

- All the employees of the *Contractor* must attend a safety induction course before they will be allowed to work on the Site. It is the responsibility of the *Contractor* to ensure that all employees have attended the safety induction.

- A list of employees requiring safety induction must be submitted at least 2 days in advance of arrival on site with the date and time of arrival so that the safety induction can be arranged.

IBI Awareness Techniques

- “To prevent incidents and ensure continuous improvement of Lethabo Power Stations business performance in all areas affecting safety, reliability and production, it is expected of all ***CONTRACTORS*** service personnel, to attend a three(3) hour training session on Integrated Business Improvement Awareness, which has to be done as soon as work has commenced; This is to ensure familiarisation and use of error-prevention tools/techniques inclusive of, Pre and Post-job briefs, Risk Assessments, Self checks(STAR principle), Job observations, Effective communications e.g.3- way, Questioning attitude, Procedural adherence, Hand overs and other related topics.

- A monthly IBI scorecard to be completed indicating the use of error prevention tools/ techniques;
  The assigned employee fulfilling the role of IBI representative has to attend the IBI representative's forum fortnightly, on Tuesdays, duration one hour.

- An IBI representative appointed by the *Contractor*/Supplier/Consultant to attend the IBI Representative Forum One (1) hour every Tuesday (forth nightly).

- IBI Awareness training will be provided by Lethabo Power Station personnel, free of charge, course bookings can be arranged by contacting Rabie Heymans on extension 5094".

Transportation of passengers: open LDV's:

No *Eskom employee* or *Contractor* would be allowed to transport passengers on the back of open light delivery vehicles (LDV's).
It is a legal requirement to provide safe transportation of *Eskom* and *Contractor* employees – therefore the following will be enforced:

- All passengers must be transported in a closed vehicle with proper and adequate seating, fitted with safety belt for the number of passengers to be transported. NO passengers may be transported on the back of a light delivery vehicle (LDV) whether open or closed.
- Tools and equipment must be properly secured.
- Only authorised drivers may transport passengers.
- Proof must be submitted on request in terms of valid roadworthiness of the vehicle/s.
- The above must apply to on site and off site transportation of passengers.

Eskom Life Saving Rules Rules:

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

- **Rule 1:** Open, Isolate, Test, Earth, Bond, and/or Insulate before touch - that is any plant operating above 1 000 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 alcohol.

- **Rule 5:** Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

Local Safety Procedures

- The *Contractor* adheres to all local procedures. A list of local procedures are available on request from the *Employer.*

Incidents / Accidents

- Incidents and accidents must be reported and investigated as detailed in LBA 00030. All incidents must also be reported to the *Employer* within 24 hours.

- First aid must be made available either by the *Contractor* or use can be made of the Lethabo medical centre at a fee. The availability of the *Contractor's* own first aid does not

relieve the *Contractor* of his obligation to report and investigate the incident in accordance with Lethabo Procedure.

Fire Prevention

- Fire prevention and protection requirements to which *Contractor*s must comply are detailed in LBA 00030.

Protective Equipment and Clothing

- The *Contractor* supplies his own personal protective equipment necessary to carry out the *works* and the *Contractor* shall ensure that all overalls for his staff have clearly identifying **company LOGO's**

- The *Contractor* is also responsible to inspect and maintain such equipment as required in terms of the OHS Act and local procedures.

Inspection of Equipment

- The *Contractor's* equipment is inspected by an authorised Eskom employee on arrival at the site.

- The following documentation is required to accompany the equipment where applicable: copies of all test certificates and maintenance records.

- Lifting equipment and electrical equipment must be marked with a unique number, code or colour code for identification. If the equipment is found to be in an unsatisfactory condition or if insufficient maintenance has been carried out on the equipment then it will not be approved for use on Site. A list of all lifting equipment and electrical equipment must be submitted to the *Employer* at least 4 days prior to the occupation date. This list must indicate the unique number and description of the equipment.

- Training of operators must comply with the Works Information and statutory requirements.

Documentation

The *Contractor* is responsible to have the following documentation available on site in accordance with LBA 00030:

- A copy of the OHS Act.
- Copies of all site accident report forms as required by the OHS Act.
- Copies of minutes of health and safety meetings held on site.
- Copies of inspection reports produced by the accident prevention officer.

Environmental Policy and Waste Handling

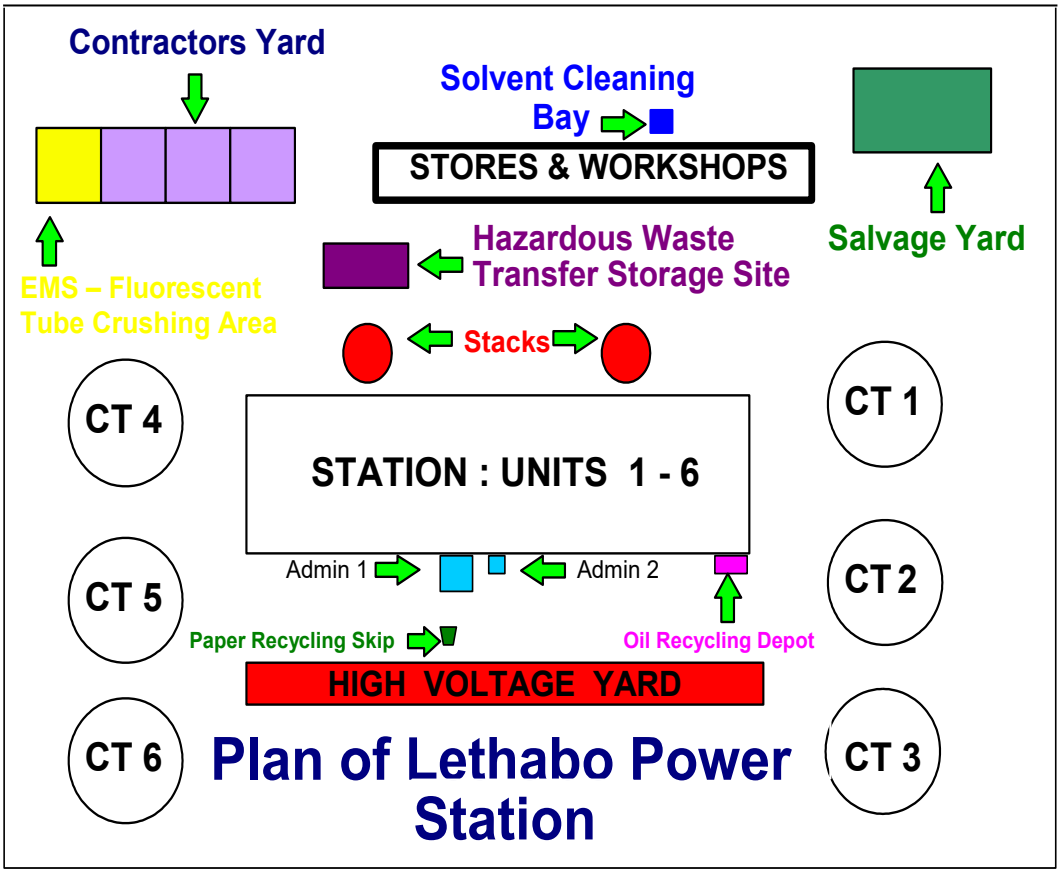
Lethabo Environmental Policy LBPS010 must be adhered to.

Disposal of Waste

Waste shall be removed promptly to the designated disposal area. No stockpiling will be permitted.

- Domestic waste to the white waste bins

- Production waste in the marked bins i.e. coal and ash only
- Paper and cans to their respective recycling bins
- Contact Civil Engineering for the disposal of building rubble
- Scrap metal, Wood & Rubber, Redundant Valves, Pipes, Equipment etc. to be placed in the marked bins in the new Salvage Yard. Solvents and cloths used to the Cleaning Bay.



10.0 Hazardous Waste Disposal and Handling

- Hazardous / toxic waste includes all waste which contains elements or compounds listed as hazardous substances in terms of the Hazardous Substances Act No. 15 of 1973.

- Any *Contractor* who produces hazardous waste on site will be responsible for the safe removal of such waste to a registered Class I site by a waste removal and disposal body.

- The *Contractor* is required to produce a certificate of safe disposal in accordance with LBA 00054.

- The *Contractor* must ensure that persons handling hazardous waste have undergone suitable training and are acquainted with cleaning methods in case of a spillage.

- The *Contractor* is also responsible for the safe removal of their hazardous waste to Lethabo's Hazardous Waste Store. Other requirements for hazardous waste are detailed in LBA 00030.

- In order to ensure effective hazardous waste management, a copy of the *Contractors'* hazardous waste inventory must be supplied to the *Employer* at least 2 days prior to the occupation date.

Abbreviated list of Hazardous Materials

Acids and alkalis	Hydrocarbons	Pesticides & insecticides
Antimony and its compounds	Inorganic cyanides	Pharmaceuticals
Arsenic compounds	Inorganic compounds containing halogens	Phosphorus and its compounds
Asbestos	Inorganic compounds containing sulphur	Selenium and its compounds
Barium compounds	Laboratory chemicals	Silver compounds
Beryllium compounds	Lead compounds	Tarry & petroleum products
Biocides & phytopharmaceutics	Medical wastes	Tellurium and its compounds
Boron compounds	Mercury compounds	Thallium and its compounds
Cadmium and its compounds	Nickel and its compounds	Vanadium compounds
Chromium compounds	Organic halogen compounds	Zinc compounds
Copper compounds	Paints and paint sludges	Waste with flash point < 60°C
Heterocyclic organic compounds	Peroxides, chlorates	

Plant & Materials

- The *Employer* may at his own discretion, supply any Plant and Materials as may be required by the *Contractor* to Provide the Works.

- The *Contractor* is to notify the *Employer* in writing, 48 hrs in advance, of such Plant and Materials required.

Access to and Departure from the Site

- The Site is at Lethabo Power Station situated ± 18 km South of Vereeniging on the Viljoensdrift - Deneysville Road, Free State. Access to the site will be via the main security gate only. The *Employer* informs the *Contractor* of the access procedures, and it should be expected that such procedures may change depending on the prevailing security situation.

- The *Contractor* allows in his price and program for delays at the security gate.

- The *Employer* reserves the right for its Security personnel to search persons or vehicles entering or leaving the premises. This includes, but is not limited to briefcases and toolboxes.

Temporary Gate Permits

- The *Contractor* provides the *Employer* with the personal details of their staff at least a week prior to the occupation date. All names and details to be submitted to the *Employer* who arranges for all gate permits.

Equipment or Material Access and Removal

Access

- The *Contractor* ensures that all equipment and materials brought through the security gate is signed in at the main security gate on an OV18 form.

Removal

- The *Contractor* is not allowed to remove any equipment or materials from site without producing the relevant OV18 forms or the equipment lists.
    - If the equipment or material is to be removed the same day, on which they were brought on to site, then the OV18 form will need to be produced at the gate when leaving the site.
    - If the equipment or material is removed after this time then a Non Returnable Gate Release will be provided by the *Employer's Representative*, on receipt of the original OV18, with which the *Contractor* brought the equipment on site.

Site or Area Establishment and Evacuation

Application for Site Establishment:

- The *Contractor* is entitled to apply for a site on the relevant form as detailed in LBA 00030. This application must be submitted with the tender documents.
- Sites are allocated according to availability, the period for which the *Contractor* is going to be on site, or if special circumstances warrant the allocation of a site. Documentation to support this application can be submitted
- The location of the site or area is indicated during the site or area take-over inspection.

Site Establishment:

- The *Contractor* does not occupy any site or area other than that allocated to him.
- The *Contractor* does not occupy the site or area prior to the take-over inspection.
- The *Contractor* maintains the site or area provided to him to the satisfaction of the *Employer*.
- The *Employer* subjects the *Contractor's* site or area to periodic inspection.

Site Evacuation:

- The *Contractor* advises the *Employer* in writing, five (5) days in advance of evacuation in accordance with LBA 00030. Immediately prior to evacuation the necessary take-over inspection must take place.