



NEC3 Professional Services Contract (PSC3)

**Contract between Eskom Holdings SOC Ltd
(Reg No. 2002/015527/30)**

**and [Insert at award stage]
(Reg No. _____)**

**for RT&D NEC3 Professional Services Contract (PSC3)
with South African Qualifications Authority (SAQA)
accredited Universities and Universities of
Technologies from previously disadvantaged
backgrounds and offering qualifications that are
registered on National Qualifications Framework
(NQF) for provision of basic and futuristic research
and skills development services to address specific
Eskom technical challenges - TESP**

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CONTRACT No. [at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Document reference	Title	No of pages
C1.1	Form of Offer & Acceptance [to be inserted from Returnable Documents at award stage]	[•]
C1.2a	Contract Data provided by the <i>Employer</i>	[•]
C1.2b	Contract Data provided by the <i>Consultant</i> [to be inserted from Returnable Documents at award stage]	[•]
C1.3	Securities proforma	[•]

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:

RT&D PSC with SAQA accredited Universities and Universities of Technologies from previously disadvantaged backgrounds and offering qualifications that are registered on NQF for provision of basic and futuristic research and skills development services to address specific Eskom technical challenges

The tenderer, identified in the Offer signature block, has

<i>either</i>	examined the documents listed in the Tender Data and addenda thereto as listed in the Returnable Schedules, and by submitting this Offer has accepted the Conditions of Tender.
<i>or</i>	examined the draft contract as listed in the Acceptance section and agreed to provide this Offer.

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 *Consultant* 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.

The offered total of the Prices exclusive of VAT is	R
Value Added Tax @ 15% is	R
The offered total of the Prices inclusive of VAT is	R
(in words)	

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

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 *Consultant* 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: The Scope

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 (2) 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 SOC Ltd
Megawatt Park, Maxwell Drive
Sandton, Johannesburg, 2000

(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.

C1.2 PSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
	dispute resolution Option	A: Priced contract with activity schedule
	and secondary Options	W1: Dispute resolution procedure
		X1: Price adjustment for inflation
		X2 Changes in the law
		X3 Multiple Currencies
		X9 Transfer of rights
		X10 Employer's Agent
		X11: Termination by the <i>Employer</i>
		X18 Limitations of Liability
		X20 Key Performance Indicators
		Z Additional Conditions of Contract
	of the NEC3 Professional Services Contract (April 2013) ¹	
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.	TBA
	Fax No.	Not Applicable

¹ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009 and www.ecs.co.za

11.2(9) The *services* are

RT&D PSC with SAQA accredited Universities and Universities of Technologies from previously disadvantaged backgrounds and offering qualifications that are registered on NQF for provision of basic and futuristic research and skills development services to address specific Eskom technical challenges for TESP

11.2(10)	The following matters will be included in the Risk Register	Matters to be included in the Risk Register as and when identified during the contract period
11.2(11)	The Scope is in	Part 3: Scope of Services
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	one (1) week
13.6	The <i>period for retention</i> is	5 years following Completion or earlier termination.

2 The Parties' main responsibilities

25.2	The <i>Employer</i> provides access to the following persons, places and things	access to	access date
		1 All necessary areas that the consultant needs to gain access to in order to perform the services required	During the contract period as and when required

3 Time

31.2	The <i>starting date</i> is.	01 July 2022	
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is.	30 June 2027	
11.2(6)	The <i>key dates</i> and the <i>conditions</i> to be met are:	Condition to be met	key date
31.1	The <i>Consultant</i> is to submit a first programme for acceptance within	2 [two] weeks of the Contract Date.	

32.2	The <i>Consultant</i> submits revised programmes at intervals no longer than	30 days
4	Quality	
40.2	The quality policy statement and quality plan are provided within	4 [four] weeks of the Contract Date.
42.2	The <i>defects date</i> is	Four (4) weeks after Completion of the services related to each Task Order
5	Payment	
50.1	The <i>assessment interval</i> is	the 25th day of each successive month.
50.3	The <i>expenses</i> stated by the <i>Employer</i> are	N/A
51.1	The period within which payments are made is	4[four] weeks from receipt of a valid Tax Invoice.
51.2	The <i>currency of this contract</i> is the	South African Rand
51.5	The <i>interest rate</i> is	<p>the publicly quoted prime rate of interest charged by the Standard Bank of South Africa Limited at the time an amount payable in SA Rand was due.</p> <p>and</p> <p>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</p>
6	Compensation events	To be applied as the NEC3 PSC.

7 Rights to material

To be applied as the NEC3 PSC

- 70.1 The Employer has the right to use the material provided by the Consultant for the purpose stated in the Scope.
- 70.2 The Consultant has the right to use material provided by the Employer only to Provide the Services.
- On Completion of the whole of the services, the Consultant returns the material provided by the Employer to him.
- 70.3 The Parties do not disclose information obtained in connection with the services except when necessary to carry out their duties under this contract.
- 70.4 The Consultant may use the material provided by him under this contract for other work unless stated otherwise in the Scope.

8 Indemnity, insurance and liability

- 81.1 The amounts of insurance and the periods for which the *Consultant* maintains insurance are

Event	Cover	Period following Completion of the whole of the services or earlier termination
Liability for failure by the <i>Consultant</i> to use the skill and care normally used by professionals providing services similar to the <i>services</i>	Whatever the <i>Consultant</i> deems necessary in respect of each claim, without limit to the number of claims	5 years
death of or bodily injury to a person (not an employee of the <i>Consultant</i>) or loss of or damage to property arising from or in connection with the <i>Consultant's</i> Providing the Services.	Bodily injury to or death of a person The amount required by the applicable law. Loss of or damage to property Whatever the <i>Consultant</i> deems necessary for any occurrence or series of occurrences arising out of one event without limit to the number of claims.	5 years

	death of or bodily injury to employees of the <i>Consultant</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law.	As <i>Consultant</i> deems necessary
81.1	<p>The <i>Employer</i> provides the following insurances</p> <p>INSURANCE TABLE</p> <p>Insurance against</p> <p>Minimum amount of cover or minimum limit of indemnity</p> <p>Assets All Risk</p> <p>As per the insurance policy document.</p> <p>Project insurance</p> <p>As per the insurance policy document.</p> <p>General and Public Liability</p> <p>As per the insurance policy document.</p> <p>Environmental Liability</p> <p>As per the insurance policy document.</p> <p>Transport (Marine)</p> <p>As per the insurance policy document.</p> <p>Motor Fleet and Mobile Plant</p> <p>As per the insurance policy document.</p> <p>Terrorism</p> <p>As per the insurance policy document.</p> <p>Cyber Liability</p> <p>As per the insurance policy document.</p>		
82.1	The <i>Consultant'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	The total of the Prices of the affected task order/s	
9	Termination	Either Party may terminate the <i>Consultant's</i> obligation to Provide the Services by notifying the other Party if the other Party has done one of the conditions specified in the NEC 3 PSC. The terminating Party provides not less than 90 (ninety) days' notice of termination to the other Party.	
10	Data for main Option clause		
A	Priced contract with activity schedule		
21.4	The <i>Consultant</i> prepares forecasts of the total Time Charge and <i>expenses</i> at intervals no longer than	Four (4) weeks.	
50.4	The <i>exchange rates</i> are those published in	South African Reserve Bank Website	

11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is	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).
	Address	TBC
	Tel No.	TBC
	Fax No.	TBC
	e-mail	TBC
W1.2(3)	The <i>adjudicator nominating body</i> is:	by the Arbitration Foundation of Southern Africa (AFSA).
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	Johannesburg, South Africa
	The person or organisation who will choose an arbitrator	
	<ul style="list-style-type: none"> if the Parties cannot agree a choice or if the <i>arbitration procedure</i> 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	
X1	Price adjustment for inflation	
X1.1	The index is	The Consumer Price Index (CPI) and will apply on the anniversary of the contract.
	The staff rates are {state whether "Fixed at the Contract Date and are not variable with changes in salary paid to individuals" or "Variable with changes in salary paid to individuals"}	Fixed at contract date and subject to CPI as published by Stats SA, adjustment applicable from a month prior to tender closing.

X2	Changes in the law			
X2.1	The law of the project is	Any law within the Republic of South Africa which applies to the Consultant providing the Services. The Consultant shall also ensure that it complies with all applicable laws and standards under the scope of work		
X3	Multiple currencies			
X3.1	The <i>Employer</i> will pay for these items or activities in the currencies stated	Items & activities	Other currency	Maximum payment in other currency
		[•]	[•]	[•]
		[•]	[•]	[•]
		[•]	[•]	[•]
X3.1	The <i>exchange rates</i> are those published in	South African Reserve Bank, 3 days before tender closing date The items & activities will be paid in the other currency - to a foreign Bank account nominated by the <i>Consultant</i> - to a valid SARB approved CFC account in South Africa - in accordance with an alternative payment method agreed with the <i>Employer</i> before the Contract Date . (select one of the three methods as agreed with successful tenderer and delete the others and this note)		
X9	Transfer of rights	The Employer owns the Consultant's rights over material prepared for this contract by the Consultant except as stated otherwise in the Scope. The Consultant provides to the Employer the documents which transfer these rights to the Employer.		

PART C2: PRICING DATA PAGE 12 C2 PSC3/A COVER

X18.3	The end of liability date is whole of the services/task order.	Five years after Completion of the
X20	Key Performance Indicators	
X20.2	A report of performance against each Key Performance Indicator is provided at intervals of	Quarterly

Z The Additional conditions of contract are Z1 to Z11 always apply.

Z1 Cession delegation and assignment

- Z1.1 The *Consultant* 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 *Consultant* 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 *Consultant* 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 *Employer* within two weeks of the Contract Date of the key person who has the authority to bind the *Consultant* on their behalf.
- Z2.3 The *Consultant* 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 *Consultant* in writing.

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

- Z3.1 Where a change in the *Consultant's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Consultant's* B-BBEE status, the *Consultant* notifies the *Employer* within seven days of the change.
- Z3.2 The *Consultant* 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*.
- Z3.3 Where, as a result, the *Consultant's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Consultant's* obligation to Provide the Services.
- Z3.4 Failure by the *Consultant* 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 those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.

Z4 Confidentiality

- Z4.1 The *Consultant* 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 *Consultant*, enters the public domain or to information which was already in the possession of the *Consultant* at the time of disclosure (evidenced by written records in existence at that time). Should the *Consultant* disclose information to Others in terms of clause 23.1, the *Consultant* ensures that the provisions of this clause are complied with by the recipient.

- Z4.2 If the *Consultant* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Employer*.
- Z4.3 In the event that the *Consultant* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Consultant*, 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 *Consultant* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *Employer's* project works or any portion thereof, in the course of Providing the Services and after Completion, requires the prior written consent of the *Employer*. All rights in and to all such images vests exclusively in the *Employer*.

Z5 Waiver and estoppel: Add to core clause 12.3:

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

Z6 Provision of a Tax Invoice. Add to core clause 51

- Z6.1 The *Consultant* (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 4490138866 on each invoice he submits for payment.

Z7 Notifying compensation events

- Z7.1 Delete from the last sentence in core clause 61.3, "unless the *Employer* should have notified the event to the *Consultant* but did not".

Z8 *Employer's* limitation of liability

- Z8.1 The *Employer's* liability to the *Consultant* for the *Consultant's* indirect or consequential loss is limited to R0.00 (zero Rand)

Z9 Termination: Add to core clause 90.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z9.1 or had a business rescue order granted against it.

Z10 Delay damages: Addition to secondary Option X7 Delay damages (if applicable in this contract)

- Z10.1 If the *Consultant's* payment of delay damages reaches the limits stated in this Contract Data for Option X7 or Options X5 and X7 used together, the *Employer* may terminate the *Consultant's* obligation to Provide the Services.

Z10.2 If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in core clause 91. The payment on termination includes a deduction of the forecast of the additional cost to the *Employer* of completing the whole of the *services* in addition to the amounts due in terms of core clause 92.1.

Z11 Ethics

For the purposes of this Z-clause, the following definitions apply:

Affected Party	means, as the context requires, any party, irrespective of whether it is the <i>Consultant</i> or a third party, such party's employees, agents, or Subconsultants or Subconsultant's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Consultant</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subconsultants or the Subconsultant's employees,
Corrupt Action	means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
Fraudulent Action	means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
Obstructive Action	means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and
"Prohibited Action"	means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z 11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z 11.2 The *Employer* may terminate the *Consultant's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Consultant* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Consultant's* obligation to Provide the Services for this reason.

Z 11.3 If the *Employer* terminates the *Consultant's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z 11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Consultant* ensures that the Committing Party co-operates fully with an investigation.

Annexure A: Notes to Consultants

This is guidance to Consultants to assist their decision making about what cover to arrange in the insurance to be provided by the Consultant. The guidance is not part of the contract and the Employer carries no liability for it. The Consultant must obtain its own advice.

1. For the purpose of works contracts, insurance provided by Eskom (the *Employer*) has been arranged on the basis of "project" or "contract" value, where the value is the total of the Prices at Completion of the whole of the works including VAT.

A "project" is a collection of contracts or work packages to be undertaken as part of a single identified capital expansion or refurbishment of a particular asset or facility.

A "contract" is a single contract not linked to or being part of a "project".

2. There are three main "formats" of cover and deductible structure; Format A, Format B and Format Dx.

Format A is for a project or contract value less than or equal to R350M (three hundred and fifty million Rand) inclusive of VAT.

Format B is for a project or contract value greater than R350M (three hundred and fifty million Rand) inclusive of VAT.

In the case of contracts / packages within a project:

- For a contract / package of R50M which is part of a R400M project, Format B will apply
- For a contract / package of R250M which is part of a R6 billion project, Format B will apply;
- For a contract / package of R120M which is part of a R350M project Format A will apply;

For a contract which is not part of a project the same limits apply:

- For a contract of R50M, Format A will apply
- For a contract of R355M, Format B will apply.

Format Dx applies only to Distribution Division projects and contracts. If a Distribution Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover. Cover and deductibles for Distribution Division are per the relevant policy available on the internet web link given below.

Format A generally applies to Transmission Division projects and contracts. If a Transmission Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover.

3. 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

4. The Insurance which the *Consultant* is to provide against his liability for claims made against him arising out of his failure to use reasonable skill and care (first row in the Insurance Table of clause 81.1 in the PSC3) should also indemnify the *Consultant* for those sums which he could become legally liable to pay as damages arising from any claim first made against him and reported to Insurers some time after Completion of the whole of the *services*. Hence the *Consultant* needs to ensure that his cover is in place at least until all his liabilities under the contract have expired. Such claims could arise out of any negligent act, error or omission committed or alleged to have been committed by the *Consultant* in the conduct of professional services in connection with the contract.

C1.2 Contract Data

Part two - Data provided by the *Consultant*

Clause	Statement	Data
10.1	The <i>Consultant</i> is (Name): Address Tel No. Fax No.	
22.1	The <i>key people</i> are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	
Only if required		CV's (and further <i>key persons</i> data including CVs) are appended to Tender Schedule entitled .
11.2(3)	The <i>completion date</i> for the whole of the <i>services</i> is	30 June 2027
11.2(10)	The following matters will be included in the Risk Register	Matters to be included in the Risk Register as and when identified during the contract period
11.2(13)	The <i>staff rates</i> are:	name/designation rate
	Either complete here or cross refer to a schedule in Part C2.2	
25.2	The <i>Employer</i> provides access to the following persons, places and things	access to access date
		1

		2	
		3	
31.1	The programme identified in the Contract Data is		
50.3	The <i>expenses</i> stated by the <i>Consultant</i> are	item	amount
A	Priced contract with activity schedule		
11.2(25)	The <i>task schedule</i> is in		

PART 2: PRICING DATA
PSC3 Option A

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

C2.1 Pricing assumptions: Option A

How work is priced and assessed for payment

Option A is a lump sum form of contract where the work to be done is broken down into well-defined activities each listed in the *activity schedule* and priced by the tendering consultant as a lump sum. (See clause 11.2(18)).

Only completed activities which are without Defects are assessed for payment at each assessment date; no part payment is made if the activity is not completed by the assessment date. (See clause 11.2(15)).

The *activity schedule* may change after the Contract Date as a result of compensation events. (See clause 11.2(14)).

Function of the Activity Schedule

The Activity Schedule is only a pricing document. Clause 53.1 in Option A states: "Information in the Activity Schedule is not Scope". Specifications and descriptions of the service or any constraints on how it is to be done are included in the Scope and per Clause 21.1, "The *Consultant* Provides the Services in accordance with the Scope" and therefore not in accordance with the Activity Schedule.

Link to the programme

Clause 31.4 states that "The *Consultant* provides information which shows how each activity on the Activity Schedule relates to the operations on each programme which he submits for acceptance". Ideally the tendering consultant will develop a high level programme first then resource each activity on the programme and thus arrive at the lump sum price for that activity both of which can be entered into the *activity schedule*.

Preparing the activity schedule

Generally, it is the tendering consultant who prepares the *activity schedule* by breaking down the work described within the Scope into suitable activities which can be well defined, shown on a programme and priced as a lump sum.

The description of each activity must be sufficient to determine exactly what work is included within it and to know when it has been completed.

The *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Consultant* to include in his *activity schedule* and be priced accordingly.

It is assumed that in preparing his *activity schedule* the *Consultant*:

- Has taken account of the guidance given in the PSC3 Guidance Notes;
- Understands the function of the Activity Schedule and how work is priced and paid for;
- Is aware of the need to link the Activity Schedule to activities shown on each programme which he submits for acceptance by the *Employer*;
- Has listed and priced activities in the *activity schedule* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Scope, as it was at the Contract Date, as well as correct Defects except correcting a Defect for which the *Consultant* is not liable;
- Has priced work he decides not to show as a separate activity within the Prices of other listed activities in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
- Understands there is no adjustment to the lump sum Activity Schedule price if the amount, or quantity, of work within that activity later turns out to be different to that which the *Consultant*

estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event.

However, the *Consultant* does not have to allow in his Prices for matters that may arise as a result of a compensation event.

Expenses

Expenses are not included in the *activity schedule* items and are assessed separately at each assessment date, unless an additional condition of contract (Z clause) is included which requires that expenses be included within activity Prices and not paid separately.

Expenses associated with employing a staff member in Providing the Services are listed separately either by the *Employer* in Contract Data provided by the *Employer* or by the *Consultant* in Contract Data provided by the *Consultant*. As only the *expenses* listed may be claimed by the *Consultant*, all other cost to the *Consultant* associated with Providing the Services must be included within the activity schedule prices or *staff rates*.

Rate adjustment for inflation of *expenses* is explained in the PSC3 Guidance Notes.

Staff rates

When a compensation event occurs changes to the affected Activity Schedule item or new priced items in the Activity Schedule are assessed as the actual Time Charge for work already done and the forecast Time Charge for work not yet done. (See clause 63.1 and 63.14 in Option A)

The Time Charge is the sum of the products of each of the *staff rates* multiplied by the total staff time appropriate to that rate properly spent on work in this contract. (Clause 11.2(13))

Tendering consultants are advised to consult the NEC3 Professional Services Contract Guidance Notes and Flow Charts before entering *staff rates* into Contract Data, or in C2.2 below.

This is because *staff rates* can be established in one of three ways:

- rates for named staff,
- rates for categories of staff or
- rates related to salaries paid to staff.

Rate adjustment for inflation, if necessary, can be based either on actual salary adjustments or by using Option X1: Price adjustment for inflation. See pages 13 and 14 in the PSC3 Guidance Notes.

C2.2 the *activity schedule*

Use this page as a cover page to the *Consultant's activity schedule* or include here in this format:

PLEASE REFER TO ANNEXURE J (TESP PRICING SCHEDULE)

Consultant:

.....
PRINT NAME

.....
SIGNATURE

.....
DATE

This section can be used when the *staff rates* and *expenses* are considerable in number and more conveniently located here than in the Contract Data. Entries in the Contract Data should refer to this section of Part 2.

Staff rates and *expenses* exclude VAT.

The *staff rates* are:

No.	Designation (or category) or name of staff member	Rate per {hour, day, month} excluding VAT

The *expenses* are:

No.	Expense item	Amount / rate excluding VAT

1. The function of the Task Schedule

The Task Schedule may include items of work to be paid for on a rate (Time Charge) or on a lump sum price for the item. Any work ordered during the term of the contract – i. e. before the Completion Date – for which there is no priced item in the Task Schedule is priced using the compensation event procedure and the resulting Price is added into the Price List.

The *task schedule* is prepared by the *Employer* for the *Consultant* to price, or may be prepared jointly with the *Consultant*. It is typically priced in two parts as items of work to be carried out on a time basis and lump sum prices for other items of work. The task schedule must be as complete as possible and fully representative of all the work and *services* which the *Employer* may require the *Consultant* to carry out. The only unknown is when the work is to be carried out; the Task Order will be used to instruct when work to be done.

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
C3.1	This cover page	1
	<i>Employer's Scope</i>	3
	Total number of pages	4

C3.1: EMPLOYER'S SCOPE

ANNEXURE K

a. Tertiary Education Support Programme (TESP) for basic and futuristic research Scope of Work:

South African Qualification Authority (SAQA) accredited Universities and Universities of Technology from previously disadvantaged backgrounds offering qualifications that are registered on the National Qualification Framework (NQF), focusing on **basic and futuristic** research to solve Eskom technical challenges by providing medium to long term technical solutions in alignment with Eskom's **specialist focus areas** as outlined in the table below

Generation	Transmission	Distribution
1. Digital Revolution*	1. Digital Revolution*	1. Digital Revolution*
2. Cyber Security*	2. Cyber Security	2. Cyber Security
3. Asset Management Optimisation	3. Asset Management Optimisation*	3. Asset Management Optimisation*
4. Bulk Material Handling	4. High-Voltage Direct Current (HVDC)	4. Distributed Energy Resources (DERs), E-mobility, Microgrids, Demand Management & Distribution Flexibility*
5. Fire Engineering	5. Flexible Alternating Current Transmission System (FACTS)	5. Fibre, Optical Ground Wire (OPGW), Wide Area Monitoring System (WAMS)
6. Generation, Combustion Engineering	6. Transmission System Planning	6. Grid Modernisation
7. Water Chemistry	7. High-Voltage Alternating Current (HVAC)	7. Distribution Energy Markets
8. Emissions Control	8. Energy Markets*	8. Infrastructure Protection and Security
9. Material Science	9. Grid Planning	9. Future Customer – Products and Services
10. Non-Destructive Testing & Risk-Based Engineering	10. System Operations	10. Pricing and Tariffs
11. Civil and Structural Engineering, Water Management & Ash Dams	11. Grid Flexibility*	
12. Energy Efficiency & Renewable Energy	12. Just Energy Transition for Transmission	
13. Turbo Gen & Boiler Health Care		
14. Nuclear Pre-feasibility studies (New build options)		
15. Gas Pre-feasibility studies		
16. Energy Markets & Repowering/Repurposing Options on old fleet		
17. Generation Flexibility		
18. Green Hydrogen		

Furthermore ensure the scope of work includes but not limited to the following deliverables as may be directed by Generation, Transmission and Distribution divisions:

Basic and Futuristic Research by:

- Publishing journals; Conference papers/articles and dissertations in the identified specialist areas as outlined in the table above.
- Development of Experts and Specialists (Engineering and Science) through research as may be required by Generation, Transmission and Distribution offering Masters and Doctoral qualifications in line with Eskom's specialist focus areas.
- Collaboration with other academic/research institutions either Local and or international to advance research in addressing Eskom technical challenges.

b. EPEP III Scope of work (Research Skills & Development):

Partnership between South African Qualification Authority (SAQA) accredited Universities and Universities of Technology from previously advantaged and disadvantaged backgrounds offering qualifications that are registered on the National Qualification Framework, focusing on operational and applied research to solve Eskom technical challenges by providing short to medium term technical solutions in alignment with Eskom's **specialist focus areas** as outlined in the table below:

Generation	Transmission	Distribution
1. Digital Revolution*	1. Digital Revolution*	1. Digital Revolution*
2. Cyber Security*	2. Cyber Security	2. Cyber Security
3. Asset Management Optimisation	3. Asset Management Optimisation*	3. Asset Management Optimisation*
4. Bulk Material Handling	4. High-Voltage Direct Current (HVDC)	4. Distributed Energy Resources (DERs), E-mobility, Microgrids, Demand Management & Distribution Flexibility*
5. Fire Engineering	5. Flexible Alternating Current Transmission System (FACTS)	5. Fibre, Optical Ground Wire (OPGW), Wide Area Monitoring System (WAMS)
6. Generation, Combustion Engineering	6. Transmission System Planning	6. Grid Modernisation
7. Water Chemistry	7. High-Voltage Alternating Current (HVAC)	7. Distribution Energy Markets
8. Emissions Control	8. Energy Markets*	8. Infrastructure Protection and Security
9. Material Science	9. Grid Planning	9. Future Customer – Products and Services
10. Non-Destructive Testing & Risk-Based Engineering	10. System Operations	10. Pricing and Tariffs
11. Civil and Structural Engineering, Water Management & Ash Dams	11. Grid Flexibility*	
12. Energy Efficiency & Renewable Energy	12. Just Energy Transition for Transmission	
13. Turbo Gen & Boiler Health Care		
14. Nuclear Pre-feasibility studies (New build options)		
15. Gas Pre-feasibility studies		
16. Energy Markets & Repowering/Repurposing Options on old fleet		
17. Generation Flexibility		
18. Green Hydrogen		

Furthermore ensure the scope of work includes but not limited to the following deliverables as may be directed by Generation, Transmission and Distribution divisions:

Operational and Applied Research by:

- Partnership to conduct research as and when required by Eskom Research Testing and Development (RT&D) business unit through:
 - Enrolling previously disadvantaged South African students for post graduate studies in the previously advantaged Universities and Universities of Technology in line with Eskom's technical challenges as outlined in the specialist focus areas above while awarding them Post Graduate Qualifications (Post Graduate Diploma, Honours) and Masters and Doctoral qualifications in alignment with Eskom's specialist focus areas
 - Enrolling Academics (i.e. Post-Doctoral, Senior Lectures) from previously disadvantaged Universities and Universities of Technology to pursue research in line with Eskom's specialist focus areas. The object is to develop them in the new proven technologies related to Eskom specialist focus areas as illustrated in the table above, while awarding them Post Graduate Qualifications (Post Graduate Diploma, Honours) and Masters and Doctoral qualifications in alignment with Eskom's specialist focus areas

c. RT&D research focus areas Scope of work (Research Skills and Development):

Partnership between South African Qualification Authority (SAQA) accredited Universities and Universities of Technology from previously advantaged and disadvantaged backgrounds offering qualifications that are registered on the National Qualification Framework, focusing on **Strategic and Fundamental** research to solve Eskom technical challenges by providing long term sustainable technical solutions in alignment with Eskom's specialist focus areas as outlined in the table below:

Generation	Transmission	Distribution
1. Digital Revolution*	1. Digital Revolution*	1. Digital Revolution*
2. Cyber Security*	2. Cyber Security	2. Cyber Security
3. Asset Management Optimisation	3. Asset Management Optimisation*	3. Asset Management Optimisation*
4. Bulk Material Handling	4. High-Voltage Direct Current (HVDC)	4. Distributed Energy Resources (DERs), E-mobility, Microgrids, Demand Management & Distribution Flexibility*
5. Fire Engineering	5. Flexible Alternating Current Transmission System (FACTS)	5. Fibre, Optical Ground Wire (OPGW), Wide Area Monitoring System (WAMS)
6. Generation, Combustion Engineering	6. Transmission System Planning	6. Grid Modernisation
7. Water Chemistry	7. High-Voltage Alternating Current (HVAC)	7. Distribution Energy Markets
8. Emissions Control	8. Energy Markets*	8. Infrastructure Protection and Security
9. Material Science	9. Grid Planning	9. Future Customer – Products and Services
10. Non-Destructive Testing & Risk-Based Engineering	10. System Operations	10. Pricing and Tariffs
11. Civil and Structural Engineering, Water Management & Ash Dams	11. Grid Flexibility*	
12. Energy Efficiency & Renewable Energy	12. Just Energy Transition for Transmission	
13. Turbo Gen & Boiler Health Care		
14. Nuclear Pre-feasibility studies (New build options)		
15. Gas Pre-feasibility studies		
16. Energy Markets & Repowering/Repurposing Options on old fleet		
17. Generation Flexibility		
18. Green Hydrogen		

Furthermore, ensure the scope of work includes but not limited to the following deliverables as may be directed by Generation, Transmission and Distribution divisions:

Fundamental and Strategic Research:

- Partner to Pilot and demonstrate innovative integration of technology solutions to address Eskom technical challenges

2.6 Privacy and security of Information

The Parties shall ensure the confidentiality, privacy and security of information of the employer and policyholders, by complying with data privacy legislation such as the Protection of Personal Information Act, 4 of 2013 (POPIA).

The Consultant shall ensure that all data relating to the Employer and policyholders are backed-up regularly. The Consultant shall notify the Employer if it has suffered a data breach as required by POPIA

2.7 Business Continuity Process

- a) The *Consultant* shall at all times ensure that it has business continuity plans to enable it to continue to provide the services to Eskom in accordance with this Agreement and relevant legislation.
- b) If the *Consultant* is for any reason, including being placed under curatorship or business rescue, becoming insolvent, or being liquidated, unable to continue to render the functions or activities in accordance with this Agreement, it shall:
 - i. promptly finalise all work-in-progress and provide Eskom with a status report of any work that cannot be finalised.
 - ii. promptly return all information, including financial and non-financial information to Eskom; and
 - iii. ensure that all delegated powers and access controls are terminated and provide Eskom with proof of such terminations.

3

3.2 Consultant's key persons

The Consultant must provide:

- Contact details of Consultant's key persons (including landline and mobile number)
- Leave requirements of Consultant's key persons. If leave requirements conflicts with deliverable deadlines an alternate, suitable key person must be allocated.
- Contact details of alternate, suitable key person.

3.3 Documentation control and retention

Identification and communication

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

Retention of documents

Clause 13.6 states that the Consultant retains copies of reports and other documents which record the services in the form stated in the Scope for the retention period.

3.4 Invoicing and payment

Clause 50.2 states invoices submitted by the Consultant include the details stated in the Scope to show how the amount due has been assessed.

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

The Consultant shall address the tax invoice to Employer's Agent and include on it the following information:

- Name and address of the Consultant and the Employer's Agent.
- The contract number and title.
- Consultant's VAT registration number.
- Purchase order number
- The Employer's VAT registration number 4490138866.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.
- Documentary evidence for travel and subsistence reimbursement.
- Time sheets relating to activities undertaken where relevant

3.5 Health and Safety

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

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

- a. Eskom Contractor Health and Safety requirements standards 32-136
- b. SHE specification provided
- c. Occupational Health and Safety Act 85 of 1993
- d. Compensation for Occupational Diseases and Illnesses Act 130 of 1993
- e. 240-62196227 Life- saving Rules
- f. 32-37 Eskom Substance Abuse Procedure
- g. 32-727 SHEQ Policy
- h. National Road Traffic Act 93 of 1996.

3.7 Working on the Employer's property

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

The employer will at all times furnish the consultant with the minimum security requirements for the affected property. Employer's entry and security control, permits, and site regulations shall be adhered to.

People restrictions, hours of work, conduct and records

The Consultant keeps records of his people working on the Employer's property. The Employer's Agent shall have access to these records at any time.

3.8 Things provided by the Employer

The Employer shall provide access to its facilities to the Consultant as and when required during the contract period.