



NEC3 Term Service Contract (TSC3)

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

and
(Reg No. _____)

for **THE PROVISION FOR COAL PLANT MAINTENANCE
AT LETHABO POWER STATION FOR A PERIOD OF
FIVE (5) YEARS.**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

THE PROVISION FOR COAL PLANT MAINTENANCE AT LETHABO POWER STATION FOR A 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	The offered total of the Prices exclusive of VAT is	R
	Sub total	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	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 *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 and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s) **Karabo Rakgolela**

Capacity **General Manager**

for the Employer **Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**

(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)

Name & signature of witness _____

Date _____

Karabo Rakgolela**General Manager****Eskom Holdings SOC Ltd, Megawatt
Park, Maxwell Drive, Sandton,
Johannesburg, 2199**

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		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 April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	011 800 8111
10.1	The <i>Service Manager</i> is (name):	Bongumenzi Mavundla
	Address	Lethabo Power Station Private Bag X 415 Vereeniging 1830
	Tel	016 457 5109
	e-mail	Mavundpb@eskom.co.za
11.2(2)	The Affected Property is	Lethabo Power Station

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

11.2(13)	The <i>service</i> is	The provision for coal plant maintenance at Lethabo power station for a period of five (5) years.
11.2(14)	The following matters will be included in the Risk Register	Access to site due to road closure
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	Two (2) working days after notification
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	One (1) week after kick-off meeting
3	Time	
30.1	The <i>starting date</i> is.	Date of last signature of the contract as agreed by both parties
30.1	The <i>service period</i> is	Five (5) years from contract date
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	Assessment will be done after Five (5) working days after completion of each task.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	60 days after assessment and receipt of undisputed contractor tax invoice
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365-day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and
6	Compensation events	Refer to Clause 6 of the NEC3 TSC
7	Use of Equipment Plant and Materials	Refer to Clause 7 of the NEC3 TSC
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	As per Annexure A attached to this document

9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	In C2.2
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	6 Months
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	To be known once the dispute arises
	Tel No.	To be known once the dispute arises
	Fax No.	To be known once the dispute arises
	e-mail	To be known once the dispute arises
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Johannesburg, South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	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 <i>base date</i> for indices is	The base date is one month prior to the tender closing date.
	The proportions used to calculate the	proport linked to index Index prepared by

	Price Adjustment Factor are:	ion	for	
		75%	Labour	SEIFSA Table C-3(A)
		10%	Transport	SEIFSA Table L-2(A)
		15%	non-adjustable	
		100%		
X2	Changes in the law	Refer to clause X2 of the NEC3 TSC		
X13	Performance bond			
X13.1	The amount of the performance bond is	The amount stated in the Contract Data and in the form set out In the Goods information. In the event the contractor is deemed financially unstable, the contractor shall submit a performance bond, issued by a bank, to be acceptable to the service manager before the contract award		
X17	Low service damages			
X17.1	The service level table is			
		Low Service Damages	Minimum percentage for low service damages	Limit of low Service Damages
		Safety Incidents: Occupational Hygiene & Safety Not providing appropriate PPE (SABS approved & company brand/logo) No LTI may be incurred, unless it's proven beyond reasonable doubt (during investigation) that there was no form of negligence nor unsafe behaviour. No contractor should contribute to another contractors' LTI Use of substandard tools/equipment or any form of machinery i.e., non-road worthy vehicles, uncalibrated tools, etc	%5 of the task order value Two (2) or more safety incidents - 5% of the task order value will be charged. 5% of the task order value will be charged from the defaulting contractor (on each incidence) Remove (tools/ equipment or any form of machinery) from site until defects have been corrected.	Limited to a maximum of 5 safety incidents - Removal of contractor from site. Limited to a maximum of 5 safety incidents - Removal of contractor from site.
		Fire Risk Management Vandalism of fire equipment (Fire extinguisher, fire hose reel, fire hoses)	Replace the vandalised equipment	

	Vandalism of the Fire alarm, fire detector and/or sprinkler system	Replace the vandalised equipment	
	Vandalism of the Fire alarm, fire detector and/or sprinkler system	Minimum of 5% of the task order value	Limited to a maximum of 15% of the task order value.
	Poor House Keeping:		
	Failure to submit Gemba Walks report.	0,5% per day will be charged.	Limited to 2% of the task order value per month.
	Failure to close Gemba walk Actions where its within contractors' control.	0.5% for weekly actions	Limited to 2% of the task order value per month.
	Clean conditions of Working Space. Adherence to House Keeping Checklist	2% as and when housekeeping issues are identified.	Limited to 5% of the task order value.
	Housekeeping during site de-establishment (working space/areas/yard) to be completed by contractor before leaving site. e.g. Removal of rubble, weeds, equipment, containers, etc	5% of the task order value to be charged	
	Closing of NCRs:		
	Rework (any work repeat) - 1 st NCR to be issued, 2 nd rework penalty applies.	5% of the task order value to be charged on 2 nd rework.	If the reworks amount to 60% of the works, termination.
	Poor Quality of Work	5% of the task order value.	
X18	Limitation of liability		
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)	
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	Total of the prices of the task order	
X18.3	The <i>Contractor's</i> 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 <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles	
X18.4	The <i>Contractor's</i> total liability to the	the total of the Prices other than for the	

	<i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	additional excluded matters. The <i>Contractor</i>'s total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> 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 <i>Employer</i>'s property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i>.
X19	Task Order	
X19.3	The delay damages in a Task Order	2% per day up to a maximum of 15%
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	Within three (3) working days of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z14 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.

Z2 Joint ventures

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

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

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

Z4 Confidentiality

- Z4.1 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.
- Z4.2 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*.
- Z4.3 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.
- Z4.4 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*.
- Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

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, 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.

Z6 Health, safety and the environment: Add to core clause 27.4

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

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

Z6.2 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.

Z7 Provision of a Tax Invoice and interest. Add to core clause 51

- Z7.1 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.
- Z7.2 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.
- Z7.3 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.

Z8 Notifying compensation events

- Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

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

Z9 Employer’s limitation of liability

- Z9.1 The *Employer’s* liability to the *Contractor* for the *Contractor’s* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor’s* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer’s* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

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

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

Z11 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>Contractor</i> or a third party, such party's employees, agents, or Subcontractors or Subcontractor'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>Contractor</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor'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.

- Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* 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 *Contractor's* obligation to Provide the Services for this reason.
- Z11.3 If the *Employer* terminates the *Contractor'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.
- Z11.4 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 *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

Z 12 .1 Replace core clause 83 with the following:

Insurance cover 83

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

Z 12.2 Replace core clause 86 with the following:

Insurance by the Employer

86

- 86.1 The *Employer* provides the insurances stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

- AAIA** means approved asbestos inspection authority.
- ACM** means asbestos containing materials.
- AL** means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres

per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented,

on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 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 <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications:	

³ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Experience:

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

C1.3 Forms of Securities

Pro Formas for Bonds & Guarantees

For use with the NEC3 Term Service Contract (TSC3)

The *conditions of contract* stated in the Contract Data Part 1 include the following Secondary Options:

Option X13: Performance Bond

This secondary Options requires a bond or guarantee “in the form set out in the Service Information”. Pro forma documents for these bonds and guarantees are provided here for convenience but are to be treated as part of the Service Information.

The *Contractor* shall guarantee his ASGI-SA Obligations by providing the *Employer* with an ASGI-SA Guarantee in the form provided here.

The organisation providing the bond / guarantee does so by copying the pro forma document onto his letterhead without any change to the text or format and completing the required details. The completed document is then given to the *Employer* within the time stated in the contract.

Pro forma Performance Bond – Demand Guarantee (for use with Option X13)
(to be reproduced exactly as shown below on the letterhead of the Bank providing the Guarantee)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Reference No. [●] [Drafting Note:
Bank reference
number to be inserted]

Date:

Dear Sirs

Performance **Bond – Demand Guarantee**: [Drafting Note: Name of Contractor to be inserted]

Project [] Contract Reference: [Drafting Note: Contractor contract reference number to be inserted]

1. In this Guarantee the following words and expressions shall have the following meanings:-

- 1.1 “Bank” - means [●], [●] Branch, (Registration No. [●]); [Drafting Note: Name of Bank to be inserted]
- 1.2 “Bank’s Address” - means [●]; [Drafting Note: Bank’s physical address to be inserted]
- 1.3 “Contract” – means the written agreement relating to the Services, entered into between Eskom and the Contractor, on or about the [●] day of [●] 200[●] (Contract Reference No. [.] as amended, varied, restated, novated or substituted from time to time; [Drafting Note: Signature Date and Contract reference number to be inserted])
- 1.4 “Contractor” – means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. [Drafting Note: Name and details of Contractor to be inserted]
- 1.5 “Eskom” - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30].
- 1.6 “Expiry Date” - means the earlier of
- the date that the Bank receives a notice from Eskom stating that all amounts due from the Contractor as certified in terms of the contract have been received by Eskom and that the Contractor has fulfilled all his obligations under the Contract, or
 - the date that the Bank issues a replacement Bond for such lesser or higher amount as may be required by Eskom
- 1.7 “Guaranteed Sum” - means the sum of R [●] ([●] Rand);
- 1.8 “Services” - means [insert as applicable.].

2. At the instance of the Contractor, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of Eskom, as security for the proper performance by the Contractor of all of its obligations in terms of and arising from the Contract and hereby undertake to pay to Eskom, on written demand from Eskom received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:

- 3.1 be signed on behalf of Eskom by a Group Executive, Divisional Executive, Senior General Manager or its delegate;
- 3.2 state the amount claimed (“the Demand Amount”);

- 3.3 state that the Demand Amount is payable to Eskom in the circumstances contemplated in the Contract.
4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:
- 4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances; and
- 4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.
5. The Bank's obligations in terms of this Guarantee:
- 5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the Guaranteed Sum; and
- 5.2 shall not be discharged and compliance with any demand for payment received by the Bank in terms hereof shall not be delayed, by the fact that a dispute may exist between Eskom and the Contractor.
6. Eskom shall be entitled to arrange its affairs with the Contractor in any manner which it sees fit, without advising us and without affecting our liability under this Guarantee. This includes, without limitation, any extensions, indulgences, release or compromise granted to the Contractor or any variation under or to the Contract.
7. Should Eskom cede its rights against the Contractor to a third party where such cession is permitted under the Contract, then Eskom shall be entitled to cede to such third party the rights of Eskom under this Guarantee on written notification to the Bank of such cession.
8. This Guarantee:
- 8.1 shall expire on the Expiry Date until which time it is irrevocable;
- 8.2 is, save as provided for in 7 above, personal to Eskom and is neither negotiable nor transferable;
- 8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or expiry hereof;
- 8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and
- 8.5 shall be governed by and construed in accordance with the law of the Republic of South Africa and shall be subject to the jurisdiction of the Courts of the Republic of South Africa.
- 8.6 Any claim which arises or demand for payment received after expiry date will be invalid and unenforceable.
9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at the Bank's Address.

Signed at _____ Date _____

For and behalf of the Bank

Bank Signatory: _____ Bank Signatory: _____

Witness: _____ Witness: _____

Bank's seal or stamp

Pro forma ASGI-SA Guarantee

(to be reproduced exactly as shown below on the letterhead of the Bank providing the Guarantee)

Eskom Holdings SOC Ltd
Megawatt Park
Maxwell Drive
Sandton
Johannesburg

Reference No [●] [Drafting Note:
Bank reference
number to be inserted]

Date:

Dear Sirs

Pro-Forma ASGI-SA Guarantee: [Drafting Note: Name of Contractor to be inserted]

Project [] Contract Reference: [●] [Drafting Note: Contractor contract reference number to be inserted]

1. In this Guarantee the following words and expressions shall have the following meanings:-

- 1.1 "Bank" - means [●], [●] Branch, (Registration No. [●]); [Drafting Note: Name of Bank to be inserted]
- 1.2 "Bank's Address" - means [●]; [Drafting Note: Bank's physical address to be inserted]
- 1.3 "Contract" – means the written agreement relating to the Project, entered into between the *Employer* and the *Contractor*, on or about the [●] day of [●] 200[●] (Contract Reference No. [●] as amended, varied, restated, novated or substituted from time to time; [Drafting Note: Signature Date and Contract reference number to be inserted])
- 1.4 "*Contractor*" – means [●] a company registered in accordance with the laws of [●] under Registration Number [●]. [Drafting Note: Name and details of Contractor to be inserted]
- 1.5 "*Contractor's ASGI-SA Obligations*" – means the *Contractor's ASGI-SA Obligations* under and as defined in the Contract.
- 1.6 "*Employer*" - means Eskom Holdings SOC Ltd, a company registered in accordance with the laws of the Republic of South Africa under Registration Number 2002/015527/30.
- 1.7 "Expiry Date" - means the [●] day of [●] 200[●]; [Drafting Note: anticipated date of issue of ASGI-SA Performance Certificate to be inserted.]
- 1.8 "Guaranteed Sum" - means the sum of R [●] ([●] Rand);
- 1.9 "Project" – means the

2. At the instance of the *Contractor*, we the undersigned _____ and _____, in our respective capacities as _____ and _____ of the Bank, and duly authorized thereto, confirm that we hold the Guaranteed Sum at the disposal of the *Employer*, as security for the proper performance by the *Contractor* of the *Contractor's ASGI-SA Obligations* and hereby undertake to pay to the *Employer*, on written demand from the *Employer* received prior to the Expiry Date, any sum or sums not exceeding in total the Guaranteed Sum.

3. A demand for payment under this guarantee shall be made in writing at the Bank's address and shall:

3.1 state the amount claimed ("the Demand Amount");

3.2 state that the Demand Amount is payable to the *Employer* in the circumstances contemplated in the Contract.

4. Notwithstanding the reference herein to the Contract the liability of the Bank in terms hereof is as principal and not as surety and the Bank's obligation/s to make payment:

4.1 is and shall be absolute provided demand is made in terms of this bond in all circumstances;
and

4.2 is not, and shall not be construed to be, accessory or collateral on any basis whatsoever.

5. The Bank's obligations in terms of this Guarantee:

5.1 shall be restricted to the payment of money only and shall be limited to the maximum of the
Guaranteed Sum; and

5.2 shall not be discharged and compliance with any demand for payment received by the Bank
in terms hereof shall not be delayed, by the fact that a dispute may exist between the
Employer and the *Contractor*.

6. The *Employer* shall be entitled to arrange its affairs with the *Contractor* in any manner which it sees fit,
without advising us and without affecting our liability under this Guarantee. This includes, without
limitation, any extensions, indulgences, release or compromise granted to the *Contractor* or any variation
under or to the Contract.

7. Should the *Employer* cede its rights against the *Contractor* to a third party where such cession is
permitted under the Contract, then the *Employer* shall be entitled to cede to such third party the rights of
the *Employer* under this Guarantee on written notification to the Bank of such cession.

8. This Guarantee:

8.1 shall expire on the Expiry Date until which time it is irrevocable;

8.2 is, save as provided for in 7 above, personal to the *Employer* and is neither negotiable nor
transferable;

8.3 shall be returned to the Bank upon the earlier of payment of the full Guaranteed Sum or
expiry hereof;

8.4 shall be regarded as a liquid document for the purpose of obtaining a court order; and

8.5 shall be governed by and construed in accordance with the law of the Republic of South
Africa and shall be subject to the jurisdiction of the courts of the Republic of South Africa.

8.6 Any claim which arises or demand for payment received after expiry date will be invalid and
unenforceable.

9. The Bank chooses domicilium citandi et executandi for all purposes in connection with this Guarantee at
the Bank's Address.

Signed at _____

Date _____

For and behalf of the Bank

Bank Signatory: _____

Bank Signatory: _____

Witness: _____

Witness: _____

Bank's seal or stamp

PART 2: PRICING DATA

TSC3 Option A

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

C2.1 Pricing assumptions: Option A

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 <i>price list</i> 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 <i>Contractor</i> has completed and - where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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.

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.

NO

THE PROVISION FOR COAL PLANT MAINTENANCE RESOURCES AT LETHABO POWER STATION FOR A PERIOD OF FIVE (5) YEARS.

C2.2 the *price list*

Description					
1. Preliminary and General			Rate/month	Rate/year	Quantity
1.1. Covid /any other abnormal epidemic					5 years
1.2. Safety costs					5 years
1.3. Tools (laser alignment machine, Rigging Equipment, and Hydraulic Pump and jacks)					Once off
Total					
2. Labour costs - Employees must be paid as per Government Gazette.					
2.1. Normal rates	Rate/Normal hours	Rate/Month	Rate/Year	Quantity	Total/ 5 years
SHEQ Officer				1	
Technical Supervisor				1	
Artisan - Fitter				8	
Artisan - Boilermaker				3	
Artisan - welder				3	
Artisan - Rigger				3	
Driver Allowance				2	
Storeman				1	
Utility man - Semiskilled/utility				16	
Site Manager				1	
Site Planner				1	
Site Cleaner				1	
Total					
2.2. Labour Rates Overtime					
			Rate/Hour		
SHEQ Officer					
Technical Supervisor					
Artisan - Fitter					
Artisan - Boilermaker					
Artisan - welder					
Artisan - Rigger					
Driver Allowance					
Storeman					
Utility man - Semiskilled/utility					

NO _____

THE PROVISION FOR COAL PLANT MAINTENANCE RESOURCES AT LETHABO POWER STATION FOR A PERIOD OF FIVE (5) YEARS.

Site Manager						
2.3. Labour Rates Public holidays and Sundays		Rate/Hour				
SHEQ Officer						
Technical Supervisor						
Artisan - Fitter						
Site Manager						
Artisan - Boilermaker						
Artisan - welder						
Artisan - Rigger						
Driver allowance						
Storeman						
Utility man - Semiskilled/utility						
3. White plant and travelling costs		Rate/day	Rate/month	Rate/year	Quantity	Total / 5 years
3.1. 14-seater					2 x 14-seater	
3.2. LDV's on Site Double Cab					2 x Double cabs	
3.3. LDV's on Site Single Cab					1 x Single cabs	
3.4. Sedan					1 x Sedan	
Total						
4. Allowances	Rate/day/pers on	Rate/7-day cycle/perso n	Rate/month standby	Rate/year standby	Quantity	Total / 5 years
4.1. Standby allowance including communication costs (For 8 people/cycle and 4 standby cycles / month)					5 years	
			Rate/month	Rate/year	Quantity	Total / 5 years
4.2. Provision for Over Time at 15 % of labour costs					5 years	
Total						
Total Contract value						

The total of the Prices

PART 3: SCOPE OF WORK

C3.1: EMPLOYER'S SERVICE INFORMATION

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Description of the service

Executive overview

This scope of work makes the provision of maintenance services Coal plant maintenance at Lethabo Power Station for five (5) years.

The work will be performed at Lethabo Power Station, which is one of Eskom's key coal-fired power plants. The site-specific conditions and operational environment require a *Contractor* with experience in power station maintenance, particularly in Bulk material handling systems (Conveyor belts and its accessories).

This contract demands a highly skilled workforce and reliable resource availability to maintain critical infrastructure efficiently.

The maintenance services include, but are not limited to:

- Troubleshooting all faults and defects pertaining to the coal handling systems
- Maintenance of hydraulics and mechanical systems
- Assistance during the execution of electrical and Control & Instrumentation (C&I) maintenance work
- Preventative maintenance
- Corrective maintenance
- Planned maintenance
- Emergency breakdown
- Standby duties and call outs
- Commissioning activities as and when required The Contractor shall perform any other mechanical requirements at no additional costs. Mechanical maintenance works includes not limited inspection, refurbishments, removal, replacement and repairs, installations, lubrication and housekeeping on the following equipment: All coal conveyors; Fire and Dust suppression system; spillage control systems; chutes and silos.

The Contractor must undertake complete coal plant mechanical maintenance in a manner that enables in service of the plant continuously, so as not to constrain any operation of the plant.

The equipment must be maintained according to the philosophies and recommendations of the equipment manufactures and /or Eskom. The Contractor must always ensure compliance to Eskom standards and procedures.

Employer's requirements for the service

The Contractor must undertake complete coal plant mechanical maintenance in a manner that enables in service of the plant continuously, so as not to constrain any operation of the plant.

The equipment must be maintained according to the philosophies and recommendations of the equipment manufactures and /or Eskom. The Contractor must always ensure compliance to Eskom standards and procedures.

The Contractor's responsibilities include but not limited:

1.2.1 Routine and Preventative Maintenance

- Conduct scheduled maintenance activities to prevent equipment failures.
- Inspect ash plant components
- Perform lubrication, cleaning and minor repairs as per maintenance schedules.

1.2.2 Corrective Maintenance

- Respond to equipment failures and perform repairs or replacements.
- Diagnose mechanical systems and assist in diagnosing electrical, C&I systems and restore operation within agreed timeframes.
- Ensure minimal downtime through rapid response maintenance protocols.

1.2.3 Opportunity Maintenance

- Execute maintenance tasks during planned outages to maximize efficiency.
- Conduct in-depth inspections and overhauls of critical components.
- Replace worn-out parts and conduct major repairs when systems are offline.

1.2.4 Operational Support and Compliance

- Adhere to Eskom's health, safety, environmental, and quality (SHEQ) standards.
- Ensure proper housekeeping and site cleanliness after maintenance tasks.
- Maintain documentation of work performed, including reports on failures, repairs, and spare parts usage.

1.2.5 Work Constraints and Key Requirements

Work Constraints

- Work is subject to Eskom's Permit to Work (PTW) system.
- No overtime will be permitted by the *Employer*; therefore, the *Contractor* shall operate on a three-cycle shift schedule.

Environmental & Waste Management

- Comply with ISO 14001 Environmental Standards.
- Maintain strict housekeeping - no oil spills, no waste in stormwater drains.
- Use Eskom-approved waste disposal processes.

Health & Safety Regulations

- Adhere to Occupational Health & Safety Act and Eskom's safety regulations.
- All personnel must be trained in Operating Regulations for High Voltage Systems (ORHVS) and Plant Safety Regulations (PSR).
- The *Contractor* must provide a SHE file and risk assessments before starting work.

1.2.6 Contractor's Resource and Equipment Requirements

The *Contractor* shall provide:

- Skilled personnel (Site Manager, Mechanical Fitters, Welders, Riggers, and Safety officer(s) etc).
- Certified tools and equipment (bearing pullers, hydraulic jacks, welding kits, and alignment tools etc).
- Transport and logistics support (Taxis, bakkies, tipper trucks, vacuum trucks, and loaders etc).

Details of equipment:

1. Fire and dust suppression system:

- Pipes
- Valves,
- Sprinklers
- Spray nozzles

2. Coal Plant Conveyors

- T1-6 A/B
- T7-T14 A to F
- Shuttles
- Hydraulic systems.
- Lubrication and lubrication systems
- Spillage control systems

3. On conveyor belts:

- Plummer blocks Gravity tension units Idler frames
- Idlers Pulleys Gearboxes
- Couplings – fluid, scoop and rigid
- Hold backs
- Conveyor belts Hydraulic systems
- Lubrication and lubrication systems

4. Fire system:

- Pipes,
- Valves
- Sprinklers

5. Spillage control system

- Conveyor scrapers
- Ploughs
- Impact stations
- Skirting rubbers

6. Chutes:

- liners,
- floppers
- grizzling's

7. Gratings, walkways, and handrails**8. Coal structures****9. The Contractor's responsibilities include but not limited:**

Preventative maintenance. Corrective maintenance.

Planned maintenance. Emergency breakdown Standby duties and call outs Outages: IR, MGO & GO within.

10. The Contractor must provide labour up to:

- 1 x Site Manager
- 1 x Safety Officer
- 1 x Technical Supervisor
- 9 x Qualified Mechanical Fitters
- 3 x Qualified Boiler makers
- 3 x Qualified Welders
- 2 x Riggers
- 16 x Semi-skilled
- 1x Store man,
- 1 x Site Cleaner
- 1 x Site clerk

Outages: IR, MGO & GO personnel required: 2 x Fitters, 2 x boiler makers and 6 semi-skilled personnel.

11. Tools

- Plasma cutter X1
- Welding machine with helmets X4
- Big grinder X4
- Small grinder X4
- Drilling X4
- Laser alignment Machine X2
- Dial gauges with magnetic stands (for each artisan)

- Spanner set. 10-36inch (for each artisan)
- Socket set. 10-36inch (for each artisan)
- Screw drives set (for each artisan)
- Allen keys set (for each artisan)
- Pliers (for each artisan)
- Hammers (4 and 16 pound) (for each artisan)
- Copper hammers (4 and 16 pound) (for each artisan)
- 380v extension 50m x 4 and (for each artisan, welder and boilermaker)
- Rigging equipment

Take note. Not limiting to any other tools that will be needed to execute a task

Tenderers must take note that monitoring on evaluations on employees will be conducted on a quarterly basis.

12. The following minimum qualification requirements must be met for all skills or grades throughout the contract and to be applied on any replacements:

- Site Manager with Mechanical Engineering Diploma.
- Safety Officer with National Diploma in Safety, full time on site
- Mechanical Supervisor with N6 or equivalent in mechanical engineering and supervisory skills
- Qualified Mechanical Fitter/Artisan with N3 or equivalent and Trade test Certificate
- Qualified Welder with N3 or equivalent and Trade test Certificate
- Qualified Boiler marker with N3 or equivalent and Trade test Certificate
- Qualified Riggers with N3 or equivalent and Trade test certificate
- Semi-skilled with N3 or equivalent
- Store man with N3 or equivalent
- Site clerk with office administration or equivalent
- Site cleaner with at least Grade 10 or equivalent

Each Qualified mechanical Artisan fitter must have at his/her own standard fitter toolbox with the following list of tools at minimum:

Item	Qty	Description	Item	Qty	Description
1	1	Allen keys imperial set 1/16" - 1/12" 10PC No 002 – 12	46	1	soft face hammer nylon 32mm
2	1	Allen keys metric 1.5 - 10mm 10PC No 002-4	47	1	1044f clock gauge
3	1	150mm shifting spanner	48	1	Clear wrap around safety specs
4	1	300mm shifting spanner	49	1	Toolbox 650 mm X 275 X 275 2 tray
5	1	150mm calliper jenny	50	1	Padlock 40mm
6		150mm divider	51	1	Screw pitch gauge 804
7	1	150mm inside calliper	52	1	centre gauge / screw cutting gauge no 200
8	1	150mm outside calliper	53	1	File brush card
9	1	Feeler gauge (0.03mm – 1.00mm)	54	1	Circlip pliers inside No 143 180 mm
10	1	Centre punch 4 mm X 120 mm	55	1	Circlip pliers outside No 141 180 mm
11	1	Prick punch 4mm X 120mm	56	1	Pin Punches 1 X Set 2mm - 10mm
12	1	150mm steel rule	57	1	Tommy bar 20 X 450mm

13	1	300mm steel rule	58	1	10mm to 36mm sets of combination spanners
14	1	Hacksaw frame - 300mm	59	2	10 combination spanners
15	1	Tinsnips - 150mm	60	2	11 combination spanners
16	1	6 - 32mm combination spanner set 1B	61	2	12 combination spanners
17	1	10mm X 250mm flat screwdriver	62	2	13 combination spanners
18	1	8mm X 200mm flat screwdriver	63	2	14 combination spanner
19	1	6mm X 150mm flat screwdriver	64	2	15 combination spanner
20	1	No 1 Phillips screwdriver	65	2	16 combination spanner
21	1	NO 2 Phillips screwdriver	66	2	17 combination spanners
22	1	Vice grip - 200mm	67	2	18 combination spanner
23	1	180mm vernier 0.02mm scale	68	2	19 combination spanners
24	1	250mm water pump pliers	69	2	20 combination spanners
25	1	200mm engineers' pliers	70	2	21 combination spanner
26	1	25mm paint brush	71	2	22 combination spanner
27	1	250mm flat bastard file	72	2	23 combination spanner
28	1	250mm flat 2nd cut file	73	2	24 combination spanners
29	1	250mm flat smooth file	74	2	25 combination spanners
30	1	200mm flat 2nd cut file	75	2	26 combination spanners
31	1	200mm flat smooth file	76	2	27 combination spanners
32	1	150mm flat 2nd cut file	77	2	28 combination spanner
33	1	150mm flat smooth file	78	2	29 combination spanner
34	1	200mm square 2nd file	79	2	30 combination spanners
35	1	200MM Half Round 2nd file	80	2	31 combination spanners
36	1	200mm round 2nd file	81	2	32 combination spanners
37	1	200mm triangle smooth	82	2	33 combination spanners
38	1	11X Appropriate file Handles	83	2	34 combination spanners
39	1	350mm stilton wrench (Bobbejaan)	84	2	35 combination spanners
40	1	Flat chisel 19 X 200mm	85	2	36 combination spanners
41	1	5 Meter steel tape measure			
42	1	Scriber			
43	1	100mm engineers square 4004			
44	1	500-gram ballpein hammer			
45	1	1 kg ballpein hammer			

Each Qualified Boilermaker must have at his/her own standard fitter toolbox with the following list of tools at minimum:

Item	Qty	Description	Item	Qty	Description
1	1	Toolbox 460 x 260 x 160mm 5 TIERS	16	1	Spirit Level 450mm
2	2	G Clamps Record 121-6	17	1	Ultra Hacksaw Frame
3	1	5M Tape	18	1	Vice Grip 250mm
4	1	20M Tape	19	1	Chalk line Reel
5	1	Ballpein Hammer 700g	20	1	Steel Rule 300mm
6	1	Club Hammer 1.8Kg	21	1	Steel Rule 600mm

7	1	Centring Heads Curve O Mark (Centre Finder)	22	1	Steel Rule 1000mm
8	1	Contour Marker (Curve-O-Mark)	23	1	Bevel Gauge Sliding
9	1	Centre Punch 100mm	24	1	Pair Divider 300mm maw
10	1	Cold Chisel 22 x 200mm	25	1	Combination Spanners Gedore 27mm
11	1	Combination Set	26	1	Tinsnips Straight type Gedore
12	1	Engineers Combination Pliers 200mm	27	1	Retractable Knife STANLEY
13	1	Adjustable Wrench 300mm (Shifting Spanner)	28	1	Flexi Curve 450mm
14	1	Engineers Precision Square 150mm m & w	29		Tommy Bar Aftool 450mmx19mm
15	1	Rafter Square 600mm X 450mm	30	1	4 Pound Hammer

Each Qualified Welder must have at his/her own standard fitter toolbox with the following list of tools at minimum:

Item	Qty	Description	Item	Qty	Description
1	1	CURVO, CONTOUR MARKER STANDARD, CNT1	29	1	SQUARE, RAFTER, METRIC, 45-530, 400X600MM
2	1	LEVEL, TORPEDO/BOAT 2 VIAL, 230MM	30	1	FILE, ROUND, 2ND CUT, 300MM
3	1	HAMMER, BALLPIEN, F/GLASS HANDLE STRIKEMASTER, 200G R	31	1	WRENCH SET, HEXKEY, PS-B9, 1.5-10
4	1	HAMMER, BALLEIN, FIBERGLASS HANDLE, 25224, 700G	32	1	WRENCH, ADJUSTABLE SHIFTER, H/DUTY, 300MM
5	1	BEVEL, SLIDING 3789, ALUMINIUM, 200MM	33	1	SCREWDRIVER SET, BLACKPOINT, 10001, 6PC
6	1	PUNCH, CENTRE, ROUND, 117E, 150MM	34	1	SPANNER, MULTI PURPOSE TOOL, SGIRON CASTING, W237-304
7	1	CHALKLINE, ZINC ALLOY CASE, 30MM	35	1	RULE, MEASURING, STAINLESS STEEL, 1000MM
8	1	SQUARE SET, COMBINATION, C435M-300M, 4PC	36	1	RULE, MEASURING, STAINLESS STEEL, 300MM
9	1	SPANNER SET, COMBINATION, IB, 10-32MM, 12PC	37	1	RULE, MEASURING, STAINLESS STEEL, 600MM
10	1	DIVIDER, SPRING, DD/6, 150MM	38	1	TAPE, MESURING, CHROME CASE, 19MMX5M
11	1	DIVIDER, SPRING, DD/10, M250MM	39	1	TINSNIP, AVIATION TYPE, STRAIGHT, M3R, 250MM
12	1	SQUARE, ENGINEERS, WS GRADE, SS/6, 150MM	40	1	TRUNK ARTISANS 1TRAY 2SLOT, 660X370X285MM, 1168
13	1	SCRIBER, ENGINEERS, MS/-ST, E222, 190MM	41	1	TRUNK ACCESSORY, LOOSE TRAY FOR 1168
14	1	PLIER, FENCING HEAVY DUTY, 300MM	42	1	CURVO, CENTERING HEAD STANDARD, CNT6
15	2	FILE ACCESSORY, HANDLE PASTIC MEDIUM PH11, 200-250MM	43	1	CALCULATOR, SCIENTIFIC, SHARP, EL531
16	2	FILE ACCESSORY, HANDLE PLASTIC LARGE PH13, 300-350MM	44	2	PLIER, VICEGRIP, NO.137, 250MM
17	1	FILE, FLAT, 2ND CUT, 250MM	45	1	CURVO, RADIUS MARKER STANDARD,

					CNT1224
18	1	FILE, FLAT, BASTARD CUT,300MM	46	2	WRENCH, RATCHET, PODGER,17X19
19	1	CHISEL, COLD FLAT,25X250MM	47	2	WRENCH, RATCHET, PODGER,24X30
20	1	FILE, FLAT, SMOOTH CUT,300MM	48	1	FILE ACCESSORY, BRUSH,463,115X40MM
21	1	CURVE, FLEXIBLE,600MM	49	1	CANVAS BAG 10 FILE CAPACITY
22	1	RULE, STEEL FOLDING, LINE OF CORDS,60R,600MM	50	1	PRICK PUNCH 4MM TIP X 125 MM LONG
23	2	CLAMP, UTILITY, UF,65M	51	1	MALLET, RUBBER, HEAVY DUTY, #700050MM,600G
24	1	WELDING ACC, LIGHTER TRIPLE FLINT, TFL	52	1	ONE SET TRAMMEL HEAD, PAIR, KEN597-6500K
25	1	HACKSAW, FRAME,20-2T,300MM	53	1	WELDING, ACC, MAGNET SQUARE, HEAVY DUTY, W4234
26	2	HACKSAW BLADES	54	1	HAND GUARD GD 3645
27	1	WELDING ACC, CLEANER, NOZZLE	55	1	STAINLESS STEEL RULE 150 MM
28	1	HAMMER, CHIPPING, SPRING HANDLE,STRAIGHT			

Each Semi-skilled personnel must have at his/her own standard fitter toolbox with the following list of tools at minimum:

Item	Qty	Description
1	2	10 Spanner
1	2	13Spanner
1	2	17 Spanner
2	2	19 Spanner
3	2	24 Spanner
4	1	Tommy bar 600 mm

Supervisor, Artisans, Boilermakers and Welder must be capable of undergoing a permit to work training and panel interview as it is a requirement to be authorised. Within a period of 6 months all Supervisors, Fitters, Welders and Boilermakers must be authorised as responsible person failure to do so Employer will request replacement of that skill. The training will be provided by the Employer.

Riggers must be capable of undergoing authorised supervisor training and panel interview as it is a requirement to be authorised. Within a period of 6 months all Riggers must be authorised as authorised supervisors, failure to do so Employer will request replacement of that grade. The training will be provided by the Employer.

Supervisors, Fitters, Boilermakers, Welders and Semi - skilled to be capable of undergoing basic rigging training. The training will be provided by the Employer.

Semi-skilled must undergo fire watch training. All the employees must be able to undergo the statutory and SHE trainings required.

The Supervisors must ensure attendance of all maintenance, production, SHEQ or any other meeting requirements arranged by Employer at the designated venues.

The Contractor planned maintenance schedules must be in co-operation with the Employer and these plans must be in line with the Work Week management planning.

Supervisors must ensure that Eskom Lethabo Power Station normal working hours are adhered to by all Contractors' employees unless stated otherwise by the Employer: Mondays to Thursdays, start work at 07:15 and finish work at 16:30 and Friday's start work at 07:15 and finish work at 12:15.

All Artisans must be in possession of valid driver's licence and be capable of undergoing the training to be authorised to operate forklift as this machine is crucial and mostly used for coal plant mechanical maintenance.

All Artisans must be capable of undergoing training to operate mobile and overhead crane as these machines are crucial and mostly used for coal plant mechanical maintenance.

The Contractor's employees must be able to do standby duties, planned and unplanned overtime as and when required in line with the law and contractual requirements.

The Contractor must be responsible for transporting their employees to and from work, tools, and spares to and from plant, provide their employees with full personal protective equipment and meals during long hours of work as per regulations. The Contractor must provide their employees with lockers for the safe keeping of their belongings.

The Contractor must provide the following vehicles for use during standby, emergency and the maintenance of the plant. Contractor is responsible for the maintenance of the vehicles and fuelling:

- 2 x LDV's on Site Double cab
- 1 x LDV's on Site Single Cab
- 1 x sedan on site
- 3 x bus (16-seater)

The Contractor must transport employees for standby purposes, emergent work and for to and from home.

The Employer will provide the following back up services and mobile equipment:

- Tractor and trailer
- Crane
- Forklift
- Scaffolding
- Mobile generator
- Diesel (for Eskom mobile equipment)
- Welding machine and gas cylinders
- Spares

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
Contractor:	Service provider contracted for supplying specific service to Eskom, Lethabo Power Station.
Employer:	Eskom, or Eskom Lethabo Power Station
BS:	British Standard
BU:	Business Unit
EMS:	Environmental Management System
ISO:	International Standards Organisation
KKS:	Kraftwerk Kennzeichen System
LPG:	Liquid Petroleum Gas
NEC:	New Engineering Contract
NPSH:	Net Positive Suction Head
ORHVS	Operating Regulations for High Voltage Systems

PCLF:	Planned Capability Loss Factor
PM:	Plant Maintenance
PSR	Plant Safety Regulations
PTW:	Permit to Work
QA:	Quality Assurance
QC:	Quality Control
QCP:	Quality Control Plan
QMP:	Quality Management Programme
WPS	Welding Procedure Specification
SABS:	South African Bureau of Standards
SANS:	South African National Standards
SAP PM:	SAP Plant Maintenance
SAP:	Systems, Applications, Products (Plant Maintenance, Procurement, Finance and Materials Management) integrated maintenance management system.
SOW:	Scope of Work
STEP:	Station Thermal Efficiency Program
UCF:	Unit Capability Factor
UCLF:	Unplanned Capability Loss Factor

Management strategy and start up. The *Contractor's* plan for the service

- To be discussed before each task can be carried out between the Contractor and Employer
- Programme to be supplied on request on a signed hard copy as well as a soft copy, see Scope of Work
- The Contractor can start work after the Purchase Order has been issued, unless given Instruction by the Service Manager

Management meetings

There will be planning meetings held by (the employer and service providers) when there is works required, on planning how long will the works take.

Safety meetings are also held on an and as when required basis to ensure safe working environment.

Prior to invoicing, the service provider and the service manager will have a meeting where the assessment will be reviewed, based on the works completed in the plant.

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

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

Contractor's management, supervision and key people

- As per scope of work
- All staff to be qualified, trained and competent to execute scope of work

Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

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

Documentation control

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.
- Copies of attendance registers for all incidents or work stoppages

Invoicing and payment

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

The Contractor shall address the tax invoice to

_____ and include on each invoice the following information:

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

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

Contract change management

The change management process to be followed as per the core clause 16.1. Any verbal instruction/communication must be backed with a written instruction; the use of minutes, letters or emails is accepted. Any communication must go through the *Purchaser's* manager.

Records of Defined Cost to be kept by the Contractor

N/A

Insurance provided by the Employer

As per TSC3 Core Clause 86.1.

Training workshops and technology transfer

All contractor personnel to do induction training before entering the Employers site and commencing work.

Design and supply of Equipment

Not applicable.

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

Equipment

N/A

Information and other things

- All Reports / Documents to be compiled, filed, discussed, and handed over to the Employer (will be announced by Employer) and at the end of the service.
- On Completion of contract the Contractors safety file will be hand over to the Service Manager and will be saved for 40 Years after completion / termination of the contract
- Contractor is Responsible to ensure that his Letter of Good standing is always valid as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10 Contractor will not be allowed on site if his letter of good standing is not valid
- As per clause 70.2 to provides other things as stated in the Service Information
- The Contractors Health and safety file is to be submitted for approval to the Employer 's Safety Officer before contract commencement and must be kept up to date at all times
- MSDS for handling all chemicals are needed.

Management of work done by Task Order

- A Task Order is the instruction to commence work.
- No work shall commence until Task Order is issued and has been finalised and accepted and signed by both the Employer and Contractor.
- All work will be issued via SAP Maintenance or as per Task /Purchase Order system. The Work Order, Purchase Requisition and Purchase Order will be created via the SAP PM system.
- Task orders, Assessments with all supporting documentation and Completion Certificates will be used for work required.

Health and safety, the environment and quality assurance

Health and safety risk management

The Contractor shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM – 084 to this Service Information.

- All The Employer's health and safety procedures and regulations to be adhered to by the Contractor
- A SHEQ file to be handed in at the SHEQ department for approval prior to wok commencement and kept up to date for the duration of the contract

SHEQ Policy

Employer's SHEQ Policy

The Employer has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the Employer's business.

Compliance with the SHEQ Policy and applicable regulations is the responsibility of every employee and Contractor.

Contractor SHEQ Policy

All Contractors shall have an OHS policy signed by the CEO of the Contractor and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHEQ file.

SHE PLAN REQUIREMENTS: -

- Principal Contractors shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plans must be pre-approved by the client for implementation. The principal Contractor/Contractor has a responsibility to send the SHE plans to the client for approval prior to commencement of work.
- The SHE plans must be applied from the commencement of and for the duration the construction work, which must be updated /reviewed as the work progresses/changes.

When a principal Contractor intends appointing Contractor, the principal Contractor shall ensure that the Contractor provides and demonstrate a suitable, sufficiently documented and coherent site-specific health and safety plan, based on the client's SHEQ specifications and scope of work.

3.1.1. Health and Safety Arrangements

The Contractor ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the Employer's Safety Risk Department at Lethabo Power Station. Arrangements are made with Safety Risk Management, by the Contractor.

The Employer's Safety Risk Manager visits and inspects the Contractor's workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The Service Manager may instruct the Contractor to stop work, where the Contractor's personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The Service Manager may instruct the Contractor to discipline his employees and to submit a disciplinary action report to the Service Manager. The Contractor implements additional health and safety precautions where necessary.

Health and safety

The Contractor complies with the Occupational Health and Safety Act 85 of 1993, as well as the Employer's procedure as stipulated below:

- SHEQ Policy 32-727
- The Employer's Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the Employer's Commercial Process 32-726
- Contractor Health and Safety Requirements 32-136
- Integrated SHE Organization; Roles and Responsibilities and Statutory Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- The Employer's Vehicle Safety Specifications 32-345
- Lethabo Contractor SHEQ Specifications 14RISK SRM – 084

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 authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

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.

Do safety audits at the Contractor's premises, its workplaces and on its employees;

Refuse any employee, sub-Contractor or agent of the Contractor access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHS ACT.

Issue the Contractor with a work stop order or a compliance order should the Employer's become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the Contractor or any of its employees, sub-Contractors or agents.

The Contractors Health and safety file is to be submitted for approval to the Employer's Safety Officer before contract commencement.

All work stoppages called by the Employer to be adhered to

Contractor is Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and the specifications 2.5.2 (iv) and 3.10..Contractor will not be allowed on site if his letter of good standing is not valid

3.1.2 First aid and fire fighting

Adequate first aid and firefighting equipment to be provided by the Employer.

All Contractor personnel must have First aid and firefighting training Fire extinguishers to be provided by the Contractor.

3.1.3 Fire Precautions

Any tampering with the Employer's fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards is kept free of obstruction and are not used for work or storage at any time. Fire-fighting equipment must remain accessible at all times.

The Contractor takes the necessary action to safeguard the area to prevent injury and the spreading of the fire.

3.1.4. Security, fire protection and safety

The Contractor shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required

3.1.5. Fire protection

The provision of Employer's standard NWS 1494 "Fire Prevention and Protection of Contractor's premises at New Works sites" shall be applicable.

3.1.6 Safety and incident prevention

The Contractor shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the Lethabo SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

- Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC- 019

3.1.7. Reporting of accidents

The Employer follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The Contractor is expected to fully co-operate to achieve this objective. The Service Manager must be informed immediately of any incidents. A written report to be submitted to the Employer within 24 Hours of incidents and any damage to property or equipment.

NOTE! This report does not relieve the Contractor of his legal obligations to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

3.1.8 Occupational Health and Safety Act 85 Of 1993 – SECTION 37

In accordance with Section 37 (2) of the Act, the Contractor is appointed by the Employer as mandatory to assume Health and Safety duties and responsibilities. The Contractor ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The Contractor acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

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

3.1.9 The Contractor appoints a person who liaises with the Employer's Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:

- Supply the Employer's Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.
- Supply the Employer's Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify the Employer's Safety Officer of any changes thereto.

The Employer may, at any stage during the duration of this contract:

- perform safety audits at the Contractor's premises, its workplace and its employees;
- refuse any employee, Subcontractor or agent of the Contractor access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the Contractor with an instruction to stop work should the Employer become aware of any unsafe working procedure or condition or any non - compliance with the Act, Regulations and Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the Employer's Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no amendments to the act or the Regulations or reasonable amendment to the Employer's Safety and Operating Procedures will entitle the Contractor to claim any additional costs or time incurred in complying therewith, from the Employer

3.1.10 Safety Regulations of the Employer

- The Contractor conforms to the Employer's Plant Safety Regulations
- The Employer makes available to the Contractor, on request, a copy of the latest revision of the Plant Safety Regulations.

Environmental constraints and management

Contractor to be familiarized with Lethabo Environmental statement of commitment (PS010)

SHE File to be approved by the Environmental Department.

Contractor shall submit an Aspect and Impact Register that complies with the ISO 14001:2015 standard.

Contractor shall submit an Environmental Management Plan (EMP) associated with its significant risks, EMP shall comply with the ISO 14001:2015 standard.

Contractor shall familiarise him/herself with the Environmental procedures related to the activity (Waste Management procedure LBE 22004PC and Environmental Spill management LBE22005)

Self-audits during work execution will be conducted weekly whereby environmental risks are identified.

Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department.

All oil shall be removed from the gearbox prior to transportation to minimise risk of oil spillages

Oil must be drained into designated containers for waste oil and transported to the temporary hazardous waste site.

Quality assurance requirements

The Contractor who executes a maintenance activity is responsible for the quality of their work. Formal quality control shall be applied as appropriate to all level 1 and 2 plants and to all critical activities on level 3 plants. The quality inspection plan must contain the minimum quality control requirements. Internal quality inspection plans must be numbered according to LMT00001.

Quality inspection plans

Quality inspection plans define the sequence of activities to be performed. The QIP must indicate all associated hold and witness points as well as the person responsible for these activities. All controlling documentation must be indicated as well as the documentation required.

Lethabo Quality Control Inspectors

Quality control inspections will be conducted on behalf of Eskom by a quality inspector from Maintenance Support Services Section. The quality inspector must be authorised by the Power Station Maintenance Manager in terms of LMA10002. The inspections will be carried out to provide an assessment of conformance to specification and quality requirements.

- Inspections do not take any responsibility away from the supervisor or artisan performing the work.
- The quality inspector's responsibilities include the following:
 Reviewing maintenance procedures and work instructions and indicating witness and hold points
 Verifying that specified quality requirements have been achieved by inspecting work in progress and indicating acceptance on the quality control plan.

Risk	MITIGATION FACTORS	LEVEL (HIGH/MEDIUM/LOW)
Time Low Service due to: Failure to complete the works as per agreed task order. Low Service by the contractor	Delay damages to be imposed on the delayed key date as per the contract data and in line with the approved schedule at 2% per day up to a maximum of 15% per task order.	Medium
Safety Non- compliance to all legal requirements.	Contractor safety plans that shall be signed and approved by the responsible managers and their safety practitioners. Ensure what is listed on the file shall be implemented during project execution. • Hazard Identification and Risk Assessments submitted to the Client must be in alignment with the Risk Assessment issued by the Client during the tendering phase. • Contractor shall ensure that a full time Safety Practitioner registered with the statutory body approved by DOL is appointed on full time basis.	High

	• PPE and Vehicle inspections must be conducted on daily basis and records must be kept. • Contractor to be familiarised with Eskom's Health & safety policy. • Compliance to the SHE requirements for the Eskom commercial process. • Employer's project manager to also ensure that all required permits are issued to the contractor's authorised supervisor on daily basis. (Both the contractor and Eskom). • The contractor's personnel shall undergo PSR training to be qualified as Authorised supervisor to carry out the works under the permit. • The contractor shall be expected to conduct task risk assessment and pre- job briefs every time before performing work. • The contractor must ensure that they align themselves with the requirements of PTW wherever it is issued. • Strict adherence to the PPE requirement by the contractor. • The contractor shall prepare a safety file for approval by Safety Risk Management before work commences. • Adherence to vehicle maintenance plans and daily/pre-trip inspections. • Strict adherence to travelling task risk assessment. • The contractor to ensure that the employees are trained and competent on the activities to be done.	
Environment: Non-conformance to environmental requirements.	• Contractor to be familiarized with Eskom SHEQ policy. • SHE File to be approved by the Environmental department. • Contractor to be ISO14001:2015 compliant. • Upon commencement of work contractor shall submit: An Aspect and Impact Register that complies with the ISO 14001:2015 standard. • Contractor shall submit an Environmental Management Plan (EMP) associated with environmental risks related to the project, EMP shall comply with the ISO 14001 standard. • Contactor shall familiarise him/herself with the Environmental procedures related to the activity. • Self-audits during work execution will be conducted weekly whereby environmental risks are identified.	Medium

	- Environmental awareness to be conducted through toolbox talks. - All waste generated during execution of work, must be disposed through proper pathways. - Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department. - Contractor shall comply to the following environmental procedures: LBE23003 Environmental non-conformance; investigation and reporting LBE22005 Environmental spill management procedure LBE22004 Environmental waste management procedure	
Quality requirements categorisation Any National and/or International Standards that the company is subjected to and the key internal controls that the company put in place to satisfy set standards Quality Management Document Requirements Control inspection during execution	Category 3 - Quality Requirements to be met Form A: The tenderer must complete and sign this form to acknowledge and accept Eskom Supplier Quality Requirements as per QM 58 Specification and ISO 9001 Standard (category 3) 240-12248652 List of Tender Returnables: comply with stipulated documented information for evaluation purposes (category 3) 240-105658000 – Supplier Quality Management Specifications (QM 58) A fully detailed Method Statements for each activity of his work, together with activity durations, to the client for review. A detailed Quality Control Plan (QCP) for acceptance within three (3) weeks of the Contract Date, which details all the aspects of the quality management system to be applied. It includes the methods that will be utilized to ensure quality assurance, control and improvement of the identified activities as stated in the Scope of Works The contractor to adhere to the FME Procedure. If the valve has been cut out during execution, the following procedure should be adhered to: Eskom welding rule book and all inspection tests requirements. All inspections to be conducted as per approved QCP's intervention points. First line inspection must be done by the contractor QC, Eskom QC personnel to conduct sampling inspection as per QCP's intervention points and Eskom system engineer to conduct final inspection for assurance. Eskom QA Practitioner to conduct audit inspection of scope of work during execution.	Medium

Non-Conformance and Defects Competence Preservation and transportation Requirements	NCR's and defects notifications are issued, the Service provider will acknowledge the receipt within 48 hours and proposes corrective and preventive actions to the client as per the contract response period. The corrective and preventive actions will include the implementation and completion dates. Utilisation of approved Quality inspection method in the aim of non-conforming output detection, i.e., QCP, PM's, CM's, Check sheets. Ensure adequately trained and skilled personnel to perform repairs and maintenance. The service provider is to ensure that all products are preserved in their appropriate manner as described in their specifications or in Eskom's Preservation, Shipping and Transportation procedures as applicable. The service provider ensures that all storage requirements for products are properly implemented to preserve the products against adverse conditions, deterioration, damage, etc. Storage and preservation procedures for the different products must be submitted to the <i>client</i> for review and acceptance. The <i>client</i> may request to inspect the stored products at any given point during the storage period of the product	
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Procurement

There is a cross reference from the core clause 11.2(6) definition of Disallowed Cost to the Service Information regarding procurement procedures. This part of the Service Information MUST include any such procedures to be able to administer Disallowed Cost.

People

Minimum requirements of people employed

As per the scope of work

BBBEE and preferencing scheme

As per the SDL&I requirements

Supplier Development Localisation & Industrialisation (SDLI) Obligations

Note: SDLI objectives shall be sourced from previously disadvantaged Communities around Sedibeng and Fezile Dabi District Municipalities.

Tenderers who complete and submit the objectives as required, but who do not meet Eskom's targets, will not be disqualified. SDL&I objectives do not form part of scoring, but commitments will form part of contractual obligations

Note: SDLI objectives shall be sourced from previously disadvantaged Communities around Sedibeng and Fezile Dabi District Municipalities.

3.1. Transformation – BBBEE Improvement or Retention Plan

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development. Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submits their B-BBEE improvement or retention plan within 30 days of signing the contract. Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3.

Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher. Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of Level 4 by the end of the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract. Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

NB: A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company's annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate

3.2 Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.

Tenderers are required to submit their proposals in the table below.

Local Procurement Content	Eskom target	Tenderer Proposal
	100%	

3.3. Procurement spend on entities with a minimum 51% black ownership

The tenderer will subcontract some of the SOW to the designated suppliers i.e. EME / QSE with at least 51% BO. The designated suppliers should not be part of their subsidiaries or having shares in that company, preferable they should be selected from local to site and shall be as follows:

Procurement from Designated Group	Eskom Target	Tenderer proposal
Black Owned company	15%	

The following are tender returnable.

- Proof of a sub-contract agreement/s must be submitted with sub-contractor/s valid sworn affidavit and CK must be submitted. OR
- Letter of intent

Potential scope

- **Employees transportation.**
- **PPE supplier.**
- **PPE printing supplier.**
- **Medicals**
- **Park homes supplier (Office, change room and kitchen)**
- **Rigging Equipment Hire (chain blocks, pull lifts and slings).**
- **Fire extinguisher supplier.**

3.4. Jobs. Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Type of Jobs to be created	Number of Jobs to be created

Type of Jobs to be retained	Number of Jobs to be retained

3.5 Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom's core, scarce and critical skills and the scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from all provinces in the country, and their composition shall be representative of the population demographics of South Africa.

Skill type / Occupation	Intake	Outcome	Eskom target	Proposed Number of Candidates
Boilermaker	N3/Matric	Trade Test certificate	5	
Riggers	N3/Matric	Trade Test certificate	5	
Welder	N3/Matric	Trade Test certificate	5	

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

Note: That these targets for skills development candidates categorically exclude Eskom employees and registered learners. The tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach their relevant SETAs to access grants, subsidies, and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives.

SDL&I Penalty and Performance Security

Eskom will apply a penalty of 2% of the Contract Value for failure to meet SDL&I obligations.

For the duration of the contract, Eskom will retain 2% of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon fulfilment of all SDL&I obligations by the contractor.

Section 5: Reporting and Monitoring

- The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier's progress in delivering on their stated SDL&I commitments.

Section 6: General Information on Validity of Sworn Affidavits

The following must be considered when it comes to validity of Affidavits;

Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:

- Name/s of deponent as they appear in the identity document and the identity number.
- Designation of the deponent as the **director**, **owner** or **member** must be indicated in order to know that person is duly authorised to depose of an affidavit. **(Mark the applicable option).**
- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be reflected. **(No blank spaces to be left).**
- Indicate total revenue for the year under review and whether it is based on **audited financial statements** or **management account**. **(Mark the applicable option).**
- Financial year end as per the **enterprise's registration documents**, which was used to determine the total revenue. **(Financial year end to be stipulated by day/month/year).**
- B-BBEE Status level. An enterprise can only have one status level. **(Tick applicable level)**
- Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- Date deponent signed and date of Commissioner of Oath must be the same. **(The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore the Commissioner must also sign and stamp)**
- Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

Section 7: Market Research

The following information demonstrates market analysis and assisted in arriving at the targets above.

<u>Current Suppliers Providing the Services</u>	Potential Suppliers:
• None	• Open market

Subcontracting

Preferred subcontractors

Not Applicable

Subcontract documentation, and assessment of subcontract tenders

Letter of intent or subcontracting agreement
SDLI data collection template.

Limitations on subcontracting

Not applicable

Attendance on subcontractors

Not Applicable

Plant and Materials

Specifications

As per the scope of work.

Contractor's procurement of Plant and Materials

As per the scope of work.

Plant & Materials provided “free issue” by the *Employer*

Not applicable

Cataloguing requirements by the *Contractor*

Not applicable

Working on the Affected Property

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

Site Procedures and Regulations

Site location and Security

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

People restrictions, hours of work, conduct and records

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

Health and safety facilities on the Affected Property

- All the employees of the Contractor must attend a health and safety induction course provided by the Employer at the security offices 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 health and safety induction.
- The Induction course includes an awareness on the Error prevention and Improvement tools and techniques to ensure familiarisation and use of these error-prevention tools/techniques inclusive of, Pre- and Post-job briefs, Risk Assessments, Self-checks (STAR principle), Peer Checks, Job observations, Accountability, Effective communications e.g., 3- way, Questioning attitude, Procedural adherence, Hand overs and other.
- A list of employees requiring safety induction must be submitted at least 2 days in advance arrival so that the details of the safety and health induction course can be communicated.

Health and Safety Requirements

- The Contractor and his sub-Contractors always ensure 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-Contractors, 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 Contractors" 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, always, 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 regarding 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 always responsible for the supervision of its employees, agents, Sub-Contractors, 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 is 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, Subcontractor, 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 contactable 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-Contractors, 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 all 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-Contractors, 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-Contractors 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, Subcontractors 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* 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. The *Contractor* must also make provision for sufficient Authorised Supervisor(s) depending on the contractual obligations. The Authorised Supervisor will need to undergo a week's training, which will be arranged at a suitable Eskom facility. This person must also pass an exam to verify his understanding of the procedure, after which he/she will need to be interviewed by a panel to discuss the practical understanding of being appointed as an Authorised Supervisor.
- 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.

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.
- 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 all vehicles
- The above must apply to on-site and off-site transportation of passengers.

Eskom Life Saving Rules:

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

Rule 1: Open, Isolate, Test, Earth, Bond, and/or insulate before touch - that is any plant operating above 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 is 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.
- The *Employer* will accompany the *Contractor* to hospital in the case of serious injury.

Fire Prevention

- Fire prevention and protection requirements to which *Contractors* 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 2 days prior to the occupation date. This list must indicate the unique number and description of the equipment.
- Training requirements 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.
- Copies of attendance registers for all incidents or work stoppages

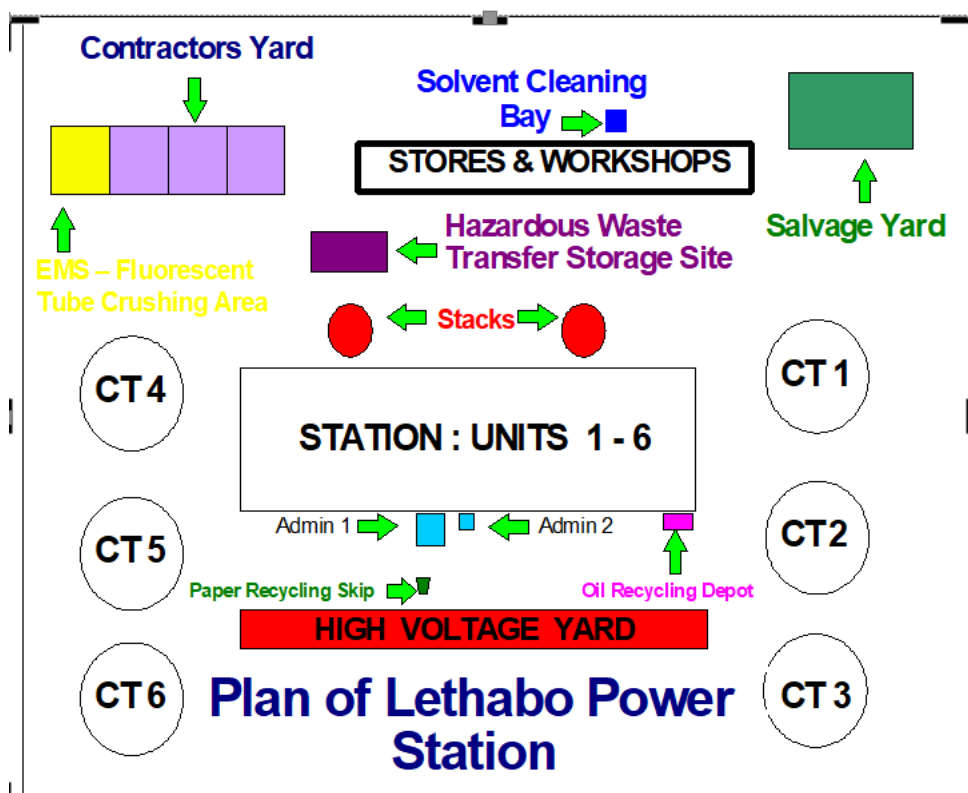
Environmental Policy and Waste Handling

The Contractor shall submit an Environmental Management Plan (EMP) to be reviewed and approved by Eskom environmental officer, one week before the commencement of works if required as per the Works Information.

Disposal of Waste

Waste shall be removed promptly to the designated disposal area as per below requirements:

- Domestic waste to the white waste bins
- No stockpiling will be permitted.
- Production waste in the marked bins i.e., coal and ash only
- Paper in its recycling bin
- Contact Civil Engineering for the disposal of building rubble.
- Scrap metal, Wood & Rubber, Redundant Valves, Pipes, and Equipment etc. to be placed in the marked bins in the Salvage Yard. Solvents and cloths used to the Cleaning Bay.



Hazardous Waste Disposal and Handling

- Any new hazardous waste that comes to the temporary hazardous waste site must be accompanied by an SDS; all other hazardous waste can be delivered without the SDS.
- An inventory is signed by the person who delivers the hazardous waste, and the waste coordinator must acknowledge the receipt of the waste.
- A 210l drum with lid will be issued to the person who has delivered the waste after the inventory is signed.
- Drums with incorrect colour coding or drums without lids will not be accepted at the temporary hazardous waste site.

Additional General information

LBS00067 to be used as it contains statutory requirements as well as the minimum, SHE requirements to which Eskom employees and contractors must comply whilst performing work on the premises of Lethabo Power Station.

The purpose of the procedure is to assist the Contract Supervisor or Project Manager, and the contractor to develop, implement and maintain an organised Safety, Health and Environment Management Plan performing work.

Contractors are accountable for taking all the necessary steps to protect all persons (including employees, visitors, and the public), to protect the environment and property against any harm during performing work or services in relation to their contractual obligations. In addition, all work procedures and equipment will be carried out in accordance with Eskom and legislative requirements.

Eskom's contractors have the fundamental accountability and responsibility for executing on-site safety, health, and environment issues for their activities, services, products, and work. Each contractor is responsible for ensuring that its employees and the employees of any appointed contractors comply with all occupational safety, health, and environmental (SHE) statutory requirements and the policies and procedures of Eskom Holdings SOC Limited.

This procedure is supplementary to the requirements of relevant legislation and the conditions of the contract.

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.

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. (Security Access Sign In)
- 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:

- 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 to be submitted as stipulated below.
- 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*. A site inspection to be conducted by both parties prior to site establishment.
- The *Employer* will require full access at all times of the *Contractor's* site or area for inspection.
- The *Contractor* will remain accountable for the security of his designated site area. The *Employer* will accept no accountability for any theft, losses or damage under the *Contractors'* control.

Site De Establishment:

- The *Contractor* advises the *Employer* in writing, five (5) days prior to site de establishment in accordance with LBA 00030.
- Site de establishment cannot proceed without the approval of the *Employer* in writing. Final payment and the first portion of the retention (where applicable) will not be released if not supported by the *Employer*, as this is seen as part of the works.

Information Required for Site Establishment:

- Note that the below will be based on the Contractor's planning for execution of the works. The price schedule should be completed as per required Section A
- The information supplied will assist in site allocation.

Description	Quantity	Comments: Contractor to explain quantity requirements
Equipment:		
Container		
Store		
Vehicle		
Generator		
Plant equipment (i.e., crane, forklift, hoisting equipment)		
Ablution Facilities		
Other		
People: (where applicable)		
Site Manager		
Safety Officer		
Supervisor		
Storeman		
Artisan		
Electrician		
Welder		
Semi-Skilled		
General Labourers		
Other		
Materials: (where applicable)		
Oil		
Cleaning Equipment		
Hazardous Material		
Other: (where applicable)		
Hot permit requirement		

List of drawings

Drawings issued by the *Employer*

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

Drawing number	Revision	Title