



NEC3 Term Service Contract (TSC3)

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

and

for **FLY ASH BUNKER COMPARTMENTS AND COAL SILO
ASH/COAL HANG UPS AND CLINKERS INSPECTIONS
AND REMOVAL ON AN AS AND REQUIRED BASIS FOR
THE PERIOD OF FIVE YEARS**

Contents:	No of pages
Part C1 Agreements & Contract Data	3-16
Part C2 Pricing Data	C.21
Part C3 Scope of Work	C.31

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	3
C1.2a Contract Data provided by the <i>Employer</i>	6
C1.2b Contract Data provided by the <i>Contractor</i>	16

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 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	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ¹	
	(in words N/A	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the
Employer**

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		

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

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

For the tenderer:**For the Employer**

Signature

Name

Capacity

On behalf
of*(Insert name and address of organisation)**(Insert name and address of organisation)*

**ESKOM LETHABO POWER STATION
PRIVATE BAG 415
VEREENIGING
1935**

Name &
signature
of witness

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with price list
	and secondary Options	W1: Dispute resolution procedure
		X1: Price adjustment for inflation
		X2 Changes in the law
		X17: Low service damages
		X13: Performance bond (X13 will only be applied should financial analysis report recommends that a performance bond be obtained.
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract (June 2005) ²	
10.1	The <i>Employer</i> is (name):	Eskom Holdings Limited (reg no: 2002/015527/30), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	(016) 457 5700
	Fax No.	086 661 7624
10.1	The <i>Service Manager</i> is (name):	
	Address	Lethabo Power Station Private Bag X 415 Vereeniging 1930
	Tel	+27 16 457

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

Fax

e-mail

11.2(2)	The Affected Property is	Lethabo Power Station
11.2(13)	The <i>service</i> is	Fly Ash Bunker Compartments, Coal Silo's and Bunkers.
11.2(14)	The following matters will be included in the Risk Register	FLY ASH BUNKER COMPARTMENTS AND COAL SILO ASH/COAL HANG UPS AND CLINKERS INSPECTIONS AND REMOVAL ON AN AS AND REQUIRED BASIS FOR THE PERIOD OF FIVE YEARS
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	5 working days
2	The Contractor's main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The <i>Contractor</i> submits a first plan for acceptance within	
3	Time	
30.1	The <i>starting date</i> is.	TBA
30.1	The <i>service period</i> is	5yrs
4	Testing and defects	No data is required for this section of the conditions of contract.
5	Payment	
50.1	The <i>assessment interval</i> is	After every task completion
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	14/30/60 days.
51.4	The <i>interest rate</i> is	(i) zero percent above the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in

The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

6	Compensation events	(If the optional statement for this section is not used, no data will be required for this section)
	These are additional compensation events:	1 [•] 2 [•]
7	Use of Equipment Plant and Materials	No data is required for this section of the <i>conditions of contract</i> .
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	1. [•] 2. [•] 3. [•]
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/live/content.php?Item_ID=9248 (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/live/content.php?Item_ID=9248 (See Annexure A for basic guidance)
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the	

	<i>Employer's property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) arising from or in connection with the Contractor's Providing the Service for any one event is:</i>	Whatever the Contractor deems necessary in addition to that provided by the Employer.
83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the Contractor's common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i>.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The Contractor prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	2 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name) Address Tel No. Fax No. e-mail	Either State the name of the person selected & complete the contact details below Or, state the person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him. [•] [•] [•] [•]
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za)
W1.4(2)	The <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 The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	South Africa the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.												
12	Data for secondary Option clauses													
X1	Prices will be fixed and firm for the first year of the contract, thereafter in the second to fifth year price will be adjusted as follows													
X1.1	The <i>base date</i> for indices is : The proportions used to calculate the Price Adjustment Factor are: <table> <tr> <th>Proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>85 %</td><td>Table</td><td>SEIFSA TABLE C-3 (A)</td></tr> <tr> <td>15%</td><td colspan="2">Non adjustment</td></tr> <tr> <td>100%</td><td colspan="2"></td></tr> </table>		Proportion	linked to index for	Index prepared by	85 %	Table	SEIFSA TABLE C-3 (A)	15%	Non adjustment		100%		
Proportion	linked to index for	Index prepared by												
85 %	Table	SEIFSA TABLE C-3 (A)												
15%	Non adjustment													
100%														
X2	Changes in the law	No data is required for this Option												
X17	Low service damages	2% of the task order value per day up to the maximum 15% of the total 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	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248												
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 in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/live/content.php?Item_ID=9248
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> 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's</i> property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i> .
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	A day of receiving the Task Order
Z	The additional conditions of contract are	Z1 to Z11 always apply.

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities because of the restructuring of the Electricity Supply Industry and the Electricity Distribution Industry.

Z2 Joint ventures

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

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

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

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

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

Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.

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

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

Z4 Ethics

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

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

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

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

Z5 Confidentiality

Z5.1 The *Contractor* does not disclose or make any information arising from or in connection

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

- Z5.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z5.3 If 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. If such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z5.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, while Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z6 Waiver and estoppel: Add to core clause 12.3:

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

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

- Z7.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) ("the Construction Regulations") for the Affected Property.
- warrants that the total of the Prices as at the Contract Date includes enough 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

Risks that were identified during contract strategy phase: -

RISK	MITIGATING FACTORS	LEVEL OF IMPACT (H/M/L)
Scope: Poor execution of scope due to lack of expertise.	Contractor to perform works as per the scope. Approved technical evaluation strategy will be used to assess tenderers	Medium

People: Poor workmanship due to incompetence of personnel on site.	The Contract Manager will ensure that the team that was approved on technical evaluation stage will be deployed for this project. Should be there a replacement of the team member minimum required competency must be met by the replacement.	Medium
Time: Projects delay due to: Contractor not adhering to agreed milestones.	Early warnings will be issue as per the conditions of contract and the delay damages will be imposed accordingly. Delay damages 2% per complete day of the delay to a maximum of 15% of the task order value.	Medium
Safety:	• 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 DoEL is appointed on full time basis. • 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. • Eskom 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.	High

	• 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 • Adherence to vehicle maintenance plans and daily/pre-trip inspections • Strict adherence to travelling task risk assessment	
Environment: Non-compliance to Environmental requirements	• Contactor 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	Medium

	(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. • 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 Contract Supervisor 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: Quality: Control Environment Non-existence or non-adherence to a governance framework can lead to several serious consequences Personnel executing the work activities with no necessary skills and competencies in line with applicable documented information could lead to delays and the business failing to meet its customers' expectations. i.e., on-the-job training and declaring competency including communication of individual roles and accountability.	• The supplier to have Documented work procedures for: Inspection and removal of ash, coal hang-ups, and clinkers. Emergency response and incident management. Handling and transportation of removed material The Supplier to demonstrate competency with company and staff certificates,	

undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

- Z7.2 Tenderers who complete and submit the undertaking as required, but who do not meet Eskom's targets, will not be disqualified. SD&L undertakings do not form part of scoring but commitments will form part of contractual obligations

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

- Z8.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z8.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z8.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z9 Notifying compensation events

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

Z10 Employer's limitation of liability

- Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z10.2 The *Contractor's* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer's* liability under the indemnity is limited to compensation as provided for under the compensation events stated in this contract.

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

- Z11.1 or had a judicial management order granted against it.

Annexure A: Insurance provided by the Employer

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

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

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

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

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

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

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Robert St. LEGER	Cape Town	+27 21 794 7488 bobst@iafrica.com
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is in _____

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	100% 0%
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 persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	
		CV's (and further key person's data including CVs) are in .
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	
11.2(19)	The tendered total of the Prices is	R

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	3

C2.1 pricing assumptions: Option A

The conditions of contract

How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract, June 2005 (TSC3) core clauses and Option A states:

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of 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*

It will be assumed that the tendering contractor has read Pages 14, 15 and 73 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering into this contract.

1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.

2 If the *Contractor* has decided not to identify a particular item in the *price list* at the time of tender the

cost to the *Contractor* of doing the work must be included in, or spread across, the other Prices and rates in the *price list* in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.

3 There is no adjustment to lump sum prices in the *price list* if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.

4 Hence the Prices and rates tendered by the *Contractor* in the *price list* are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk.

5 The Contractor does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an *Employer's* risk event listed in core clause 80.1.

Format of the *price list*

(From page 73 of the TSC3 Guidance Notes)

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

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

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

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

C2.2 the *price list*

Item	Description	Unit	Quantity	Cost per item	5Yrs
	<u>Section 1</u>				
	<u>Preliminaries and General</u>				
1	Safety costs per year	Annually	5		
2	All required tools	Annually	5		
Item	Description	Unit	Quantities For 5Yrs	Cost per item	Total
	<u>Section 2</u>				
	<u>FAB compartment</u>				
1	Compartment inspection prior and after	Per Day	200		
2	Ash/Coal hang ups removal	Per Day	150		
3	Clinker removal	Per Day	150		
4	Standing time normal hours	Each/Hour	300		
5	Standing time overtime hours	Each/Hour	300		
6	Standing time Sunday/PH hours	Each/Hour	300		
	Total				

Note: All contractors to submit the breakdown for all required tools to execute the scope of work.

ESKOM HOLDINGS LTD CONTRACT NO
PROJECT OR CONTRACT TITLE: FLY ASH BUNKER COMPARTMENTS ASH HANG UPS AND CLINKERS INSPECTIONS AND
REMOVAL ON AN AS AND REQUIRED BASIS

ESKOM HOLDINGS LTD CONTRACT NO
PROJECT OR CONTRACT TITLE: FLY ASH BUNKER COMPARTMENTS ASH HANG UPS AND CLINKERS INSPECTIONS AND
REMOVAL ON AN AS AND REQUIRED BASIS

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

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

Otherwise insert list of contents manually.

Part 3: Scope of Work.....	5
C3.1: Employer's service Information.....	5
1 Description of the <i>service</i>	5
1.1 Executive overview	5
1.2 <i>Employer's</i> requirements for the <i>service</i>	8
1.3 Interpretation and terminology	8
2 Management strategy and start up.....	8
2.1 The <i>Contractor's</i> plan for the <i>service</i>	8
2.2 Management meetings	9
2.3 <i>Contractor's</i> management, supervision and key people	9
2.4 Provision of bonds and guarantees	9
2.5 Documentation control	9
2.6 Invoicing and payment.....	10
2.7 Contract change management	10
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	10
2.9 Insurance provided by the <i>Employer</i>	10
2.10 Training workshops and technology transfer.....	11
2.11 Design and supply of Equipment.....	11
2.12.1 Equipment.....	11
2.12.2 Information and other things.....	11
2.13 Management of work done by Task Order	11
3 Health and safety, the environment and quality assurance.....	12
3.1 Health and safety risk management	12
3.2 Environmental constraints and management	16
3.3 Quality assurance requirements	16
4 Procurement.....	16
4.1 People.....	17
4.1.1 Minimum requirements of people employed.....	17
4.1.2 BBBEE and preferencing scheme.....	17
1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA).....	18
4.2 Subcontracting	28
4.2.1 Preferred subcontractors.....	18
4.2.2 Subcontract documentation, and assessment of subcontract tenders.....	18
4.2.3 Limitations on subcontracting.....	18
4.2.4 Attendance on subcontractors.....	18
Error! Bookmark not defined.	
4.3 Plant and Materials	18
4.3.1 Specifications.....	18
4.3.2 Correction of defects.....	18
4.3.3 <i>Contractor's</i> procurement of Plant and Materials.....	19
4.3.4 Tests and inspections before delivery.....	19
4.3.5 Plant & Materials provided "free issue" by the <i>Employer</i>	19
5 Working on the Affected Property.....	19

5.1	<i>Employer's</i> site entry and security control, permits, and site regulations	19
5.2	People restrictions, hours of work, conduct and records	19
5.3	Health and safety facilities on the Affected Property	20
5.4	Environmental controls, fauna & flora	20
5.5	Cooperating with and obtaining acceptance of Others	22
5.6	Records of <i>Contractor's</i> Equipment	22
5.7	Equipment provided by the <i>Employer</i>	22
5.8	Site services and facilities	23
5.8.1	Provided by the <i>Employer</i>	23
5.8.2	Provided by the <i>Contractor</i>	23
5.9	Control of noise, dust, water and waste	26
5.10	Hook ups to existing works	27
5.11	Tests and inspections	27
5.11.1	Description of tests and inspections	28
5.11.2	Materials facilities and samples for tests and inspections	28
6	List of drawings	28
6.1	Drawings issued by the <i>Employer</i>	28
7	Site procedures	29
7.1	Permit to Work System	29
7.2	Safety Induction Course	29
7.3	IBI Awareness Techniques	30
7.4	Transportation of passengers: open LDV's	30
7.5	Eskom Life Saving Rules	30
7.6	Local Safety Procedures	31
7.7	Incidents / Accidents	31
7.8	Fire Prevention	31
7.9	Protective Equipment and Clothing	31
7.10	Inspection of Equipment	31
7.11	Documentation	31

1. Description of the service

1.1 Executive overview

The work / product covered by this Contract includes Fly Ash Bunker compartment, coal silos and coal bunkers ash/coal hang ups and clinkers inspections and removal in a manner that it is safe for the ash vacuuming team and maintenance team to safely enter and work inside the compartment on an as and required basis.

1.2 Employer's requirements for the service

The Supplier must perform inspection and remove all ash hangs ups and clinkers available inside the compartments to make the compartment safe to work on for refurbishments on an as and required basis. There are three (3) Fly Ash Bunkers (FAB) and each FAB having three (3) compartments. Supplier required to be providing all the tools to perform the works including rescue sets. Supplier to break clinkers remove ash/coal hang ups and create landing for vacuuming team and assist the team with lifeline when getting in from the top ensure team hooked on the lifeline.

The Supplier might be requested to do both day and night shift should there be a need. The Supplier must ensure that the employees adhere to the rest period of eight (8) hours in a 24-hour cycle, of which six (6) hours must be consecutive as per the law requirements/Eskom Condition of Service. Contractor Employees are requested to take a meal interval/break of 30 minutes after conservative 5 working hours; this interval is in accordance with the Eskom's Conditions of service and will not be sponsored by the Employer.

NB please take note of the technical criteria evaluation requirement for all the resources

Team required.

Team must have minimum of five (5) people with the following requirements: 1 x Supervisor, 3 Technicians and a safety officer.

Supervisor must have minimum level 3 rope access training

Technician (practitioners) must have level 01 rope access training

Safety officer with level 01 rope access training

All team members must have been trained on Confined space rescue tripod and rope access training.

The Supplier provide for his/her teams: Transportation, all required tools, personal protective equipment, meals and equipment to execute their activities.

And accommodation if required, all required personal protective equipment and consumables.

NB, supplier to ensure that Permit to Work is issued before attempting any activities.

Immediately after final inspection and removal of ash hang ups or/and clinkers a certificate must be issued by the Supplier to Eskom representative confirming that the ash hangs ups and clinkers are removed, and it is safe for people to get inside and work.

The Supplier must be able to respond on both planned and emergencies. The maximum response time for emergency work is 12 hours (12 hours) from the time of the instruction to attend to the emergency.

The Contractor must always ensure compliance to Eskom standards and procedures.

The Supplier must submit safety file to Eskom Lethabo Power Station for approval by Safety and Risk Management section which is mandatory prior to the works and be available and up to date throughout the contract period.

Interpretation and terminology

If required include here definitions additional to those used in the *conditions of contract* which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

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*

In the TSC3 the *Contractor's* plan is his "design" for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor's* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer's* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor's* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

Management meetings

- Before work starts on site, an inaugural meeting is held with the Contractor and the Employer, to explain in detail all requirements of the Site Regulations.
- The Contractor is issued with a file of current Site Regulations on arrival. The file remains the property of the Employer and the Contractor is responsible for its maintenance and updating to include new or revised regulations as issued by the Employer.
- The Contractor must ensure that all personnel operating mobile equipment and vehicles are authorised, this includes but not limited to;
 - Forklifts
 - Mobile cranes
 - Cherry Pickers
 - Sky Jacks
- The Contractor shall be responsible for the regular inspections and daily equipment checks of the mobile equipment and vehicles including record keeping.
- The Contractor must ensure that all personnel performing work on the plant/site are authorised, this includes but not limited to;
 - Confine space locations
 - Working at heights
 - Heat stress areas
 - Scaffolding
 - Hazardous substances

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

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

Contractor's management, supervision and key people

1.1 Quality Control

- 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.

1.2 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.

1.3 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. These

- 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.

Ensuring that quality control plans conform to the requirements of Lethabo Power Station and that these quality control plans are completed for all valves overhauled. The quality control plan must be made available by the *Employer's*

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

Specify how documentation will be identified with an alpha numeric which indicates source, recipient, communication number etc. Provide details of any particular format or other constraints; for example that all contractual communications will be in the form of properly compiled letters or forms attached to e mails and not as a message in the e mail itself. State any particular routing requirements but note from TSC3 who issues what to whom.

Invoicing and payment

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

The *Contractor* shall address the tax invoice to

The invoice shall be addressed to Eskom Holdings SOC Limited as follows:

Eskom Holdings SOC Limited
Accounts Payable Department
Lethabo Power Station
Deneysville Vaaldam Road
Vereeniging
1930

Contract change management

It will be discussed as the need arise and both parties must agree with the proposed change. Then the addendum must be compiled and approved by adjudication committees

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

- The employer has the right to request the records of defined cost

Insurance provided by the *Employer*

- Insurance cover is as per TSC3 Core Clause 83.1

Training workshops and technology transfer

The team will undergo plant safety regulation training, mobile Equipment training and anyother training required to perform the task effectively

Design and supply of Equipment

N/A

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

Equipment

N/A

Information and other things

Safety file

Management of work done by Task Order

Task order will be issued to the contractor

Health and safety, the environment and quality assurance

Health and safety risk management

Safety Non-compliance to all legal requirements.	• 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 DoEL is appointed on full time basis. • 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. • Eskom 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 • Adherence to vehicle maintenance plans and daily/pre-trip inspections • Strict adherence to travelling task risk assessment
Environment: Non-compliance to Environmental requirements	Contractor to be familiarised with the Eskom SHEQ Policy Contractor to be familiarized with Lethabo waste management procedure. The contractor shall compile an Environmental Management Plan (EMP) detailing the aspects and impacts associated with the job. The EMP shall detail how the contractor will manage environmental related incidents and all environmental risks related to the job. The contractor shall conform to the ISO 14001 standard. 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: • LBE22005 Environmental spill management procedure • LBE22004 Environmental waste management procedure (ensure proper management of waste) Contractor shall take all reasonable measures to protect the environment and prevent environmental degradation
Quality: Control Environment	Policies and procedures:

Non-existence or non-adherence to a governance framework can lead to several serious consequences Personnel executing the work activities with no necessary skills and competencies in line with applicable documented information could lead to delays and the business failing to meet its customers' expectations. i.e., on-the-job training and declaring competency including communication of individual roles and accountability.	The supplier to have Documented work procedures for: Inspection and removal of ash, coal hang-ups, and clinkers. Emergency response and incident management. Handling and transportation of removed material The Supplier to demonstrate competency with company and staff certificates,
Control Activities: Failure to identify and Manage Risks associated with operational flexibility and responsiveness may hamper the achievement of set objectives, resulting in the risks materialising and subsequently non-achievement of the plant operational objectives. When checklists and inspection protocols to systematically review work progress and verify that each task is completed correctly and according to requirements is not conducted, service that do not conform to the specifications may be handed over to the client resulting in reworks, delays, and cost escalations.	The Supplier to demonstrate capability to respond on short notice for urgent removal requests Availability of backup resources and contingency plan for equipment failure or access constraints The Supplier to implement Inspection protocols and test plans (ITPs)
Failure to manage Non-Conforming Outputs	Eskom shall be informed of non-conforming products and services as soon as such non-conformances are recognized by the supplier. The supplier shall implement the respective processes which must adequately reflect Eskom involvement.
Failure to manage Information and Communication	The supplier is required to communicate the matters affecting the functioning of internal controls including emerging risks and potential impacts of the significant changes to the client representative. The supplier is required to communicate SOW, Importance of conforming to the set requirements and consequences of not conforming to the SOW to the company's staff
Failure to manage Reporting and Performance Monitoring	The supplier to provide report, ongoing performance monitoring, and strict quality assurance checks is essential. Clear communication with

	the client through Service Level Agreements (SLAs) guarantees timely delivery, while effective documentation and proactive inventory management help reduce supply chain risks. Furthermore, ensuring that coal silo ash/coal hang-ups and clinkers inspection and removal are performed by skilled technicians and monitoring supplier performance through KPIs contribute to maintaining seal quality and reliability.
Failure to manage Record Keeping	Whenever Eskom and the supplier mutually agree that the supplier retains certain quality records that the supplier considers proprietary information, the supplier shall ensure that: Records and documentation are kept suitably protected against deterioration, and/or damage for an agreed period. Eskom is granted due access to such records and documentation, on request. Maintain accurate records of contractor communications, project documentation, progress reports, change orders, and other relevant information. Document all agreements, decisions, and actions taken throughout the project lifecycle
Quality Management Documents Requirements	The service provider shall deliver all the required documentation according to the scope of work such as certificates and data books where required Factory acceptance test reports
Failure to include necessary returnable or adhere to the tender requirements may result in delays from the bidding process.	The following Quality requirements shall be noted and adhered to. 240-68099512 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 Quality Assessment Criteria: Category 2 quality returnable to be met and supplier to conform to QM58 240-10565800 and other Eskom holding specifications

- **Safety, Health and Environment (SHE) Requirements**

- The Contractor shall comply with Employer's Health, Safety and Environmental Specification for Contractors (LBA 00067).
- The Contractor shall submit the SHE file that shall be audited and approved by the Employer before works commence.
- For all SHE file requirements, the Contractor shall refer to annexure F of LBA 00067.
- The Contractor shall provide a safety records to Safety Risk Management for the past two years.
- The Contractor shall submit a sample of an activity based risk assessment with the tender returnables.
- The Contractor shall compile and submit the environmental management plan (EMP) before the works commence.
- The EMP shall be approved by the Employer.

1.1 Interpretation and terminology

If required include here definitions additional to those used in the *conditions of contract* which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information

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

attached as an Annexure to this Service Information. In addition to the requirements of the laws governing health and safety, Eskom may have some additional requirements particular to the service and the Affected Property for this contract. The text below provides for these being PLEASE ALSO READ CORE CLAUSE 27.4 TOGETHER WITH Z7 IN THE ADDITIONAL CONDITIONS OF CONTRACT TO MAKE SURE THAT WHATSOEVER IS INCLUDED IN THE ANNEXURE FOLLOWS ON FROM THOSE CLAUSES.

The Divisional/Regional Safety Risk Manager or his representative having jurisdiction over the service must provide the relevant safety, health and environmental (SHE) criteria for incorporation into this Service Information. The SHE specification / scope must be signed off by the Divisional/Regional Safety Risk Manager or his representative confirming that the applicable safety criteria have been taken into account.

The Commodity Manager / Buyer must refer the tender to the Divisional/Regional Safety Risk Manager or his representative in order to evaluate against enquiry-specific safety criteria.

The Divisional Safety Risk Managers who will be responsible for the allocation of resources to assist P&SCM with the above processes are as follows:

- Generation: Roley McIntyre
- Transmission: Tony Patterson
- Distribution: Alex Stramrood
- Enterprises: Jace Naidoo
- Corporate: Kerseri Pather

The *Contractor* shall comply with the health and safety requirements contained in Annexure _____ to this Service Information.

Quality assurance requirements

3.1. Quality Control

- 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.

3.2. 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.

3.3. 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. These

- 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.

- Ensuring that quality control plans conform to the requirements of Lethabo Power Station and that these quality control plans are completed for all valves overhauled. The quality control plan must be made available by the *Employer's* Representative prior to commencement of work for review.
- Ensuring that acceptable maintenance practice and all relevant codes, standards and statutory requirements are adhered to.
- The quality inspector has the authority to stop work where an inadequacy threatens the safety of plant or personnel. It is the responsibility of the person performing the activity to inform the quality inspector prior to reaching a witness or hold point. In the case of a major outage the quality inspector must be informed at least one day in advance.

Quality Control and Assurance

- The QCP shall comply with Employer's LBQ35005 (QCP requirements).

Procurement

People

Minimum requirements of people employed

Rope access and confined space rescue tripod training

BBBEE and preferencing scheme

Specify constraints which <i>Contractor</i> must comply with after contract award in regard to any Broad Based Black Economic Empowerment (B-BBEE) or preferencing scheme measures.

Step 3: Supplier, Development, Localisation and Industrialisation

Specific Goals

A maximum of 10/20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

NB: The following documents are required to claim preference points,

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPS affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable)
- In a case of a trust, consortium or joint venture (including incorporated consortia and joint ventures), a consolidated B-BBEE status level verification certificate.

Tenderer failing to provide documentation for the allocation of preference points will not be disqualified, but'

- May only score point out of 90/80 for price
- Scores 0 points out of 10/20 for specific goals

Objective criteria

Not applicable

SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goals

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

Note: The suppliers will be encouraged to source from Sedibeng and Fezile Dabi Municipality.

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 status. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific B-BBEE status. 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 improve (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period. Tenderer/s with a B-BBEE status 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 is not a B-BBEE Level 1-4.

annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you must submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless your 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.

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 requirements 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%	

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.

Local	Type of Jobs to be created	Number of Jobs to be created
	Type of Jobs to be retained	Number of Jobs to be retained

Type of jobs	Target set (local-to-site)	Suppliers Proposal
General workers	100%	
Semi-skilled	70%	
Skilled	30%	

Skills development

Skills development is designed to benefit the currently unemployed graduates or those fresh from further education and training on campuses and universities.

The composition of these candidates must be representative of the population demographics of South Africa. Note that these targets for skills development candidates categorically exclude Eskom employees and registered learners. This is how it will apply:

Tenderers are required to propose against the following training initiatives:

<u>Skills type</u>	<u>Intake</u>	<u>Outcome</u>	<u>Eskom target</u>	<u>Tenderer's proposal</u>
TVET Bursaries Electrical/ Mechanical/ Civil/ Control & Instrumentation/ Rope rescuer technicians/Safety Officer)	N3 or Matric	Trade test	3	

SDL&I Penalty and Performance Security

Eskom will apply a penalty of 1.5% of the Contract Value for failure to meet SDL&I obligations.

For the duration of the contract, Eskom will retain 1.5% 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.

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

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.

Market Research

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

Current Suppliers Providing the Services

- None

Potential Suppliers:

- Open market

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

N/A

Subcontracting**Preferred subcontractors**

N/A

Subcontract documentation, and assessment of subcontract tenders

N/A

Limitations on subcontracting

N/A

Attendance on subcontractors

N/A

Plant and Materials**Specifications**

Refer to the detailed scope

Correction of defects

Refer to the scope

***Contractor's* procurement of Plant and Materials**

N/A

Tests and inspections before delivery

Core Clause 41.1 makes reference to the Service Information stating which Plant and Materials are to be inspected and tested before delivery.

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

Plant will be a free issue by the employer

Cataloguing requirements by the *Contractor*

N/A

Working on the Affected Property

Health and Safety Requirements

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

- The *Contractor* acts in accordance with the health and safety requirements stated in the Works Information.
- In carrying out its obligations to the *Employer* in terms of this contract; in providing the Works; in using Plant, Materials and Equipment; and while at the Site for any reason, the *Contractor* complies and procures and ensures the compliance by its employees, agents, Sub-*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*, at all times, considers itself to be the "*Employer*" for the purposes of the OHSA and shall not consider itself under the supervision or management of the *Employer* with regard to compliance with the SHEQ Requirements, the *Contractor* shall furthermore not consider itself to be a subordinate or under the supervision of the *Employer* in respect of these matters. The *Contractor* is at all times responsible for the supervision of its employees, agents, Sub-*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 are trained and competent to execute their duties. The *Contractor* supervises the execution of their duties by all such appointees.
- The *Contractor* shall appoint a person who will liaise with the Eskom Safety Officer responsible for the premises relevant to this contract. The person so appointed shall, on request: supply the Eskom Safety Officer with copies of minutes of all Health And Safety Committee meetings, whenever he is required to do so; supply the Eskom Safety

Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall advise the Eskom Safety Officer of any changes thereto.

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

- conduct health and safety audits regarding all aspects of compliance with the SHEQ Requirements, at any off-site place of work, or the site establishment of the *Contractor*;
- refuse any employee, Sub*Contractor* or agent of the *Contractor* access to the premises if such person has been found to commit an unsafe act or any unsafe working practice or is found not to be qualified or authorised in terms of the SHEQ Requirements;
- issue the *Contractor* with a stop order should the *Employer* become aware of any unsafe working procedure or condition or any non-compliance with any provision of the SHEQ Requirements.
- The *Contractor* immediately reports any disabling injury as well as any threat to health or safety of which it becomes aware at the Works or on the Site to the *Employer's Representative*.
- The *Contractor* undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.
- The *Contractor* appoints a person, qualified in accordance with the SHEQ Requirements, as the liaison with the Eskom Safety Officer for all matters related to health and safety, this person shall be reachable 24 hours a day.
- The *Contractor* confirms that it has been provided with sufficient written information regarding the health and safety arrangements and procedures applicable to the Works to ensure compliance by it and all employees, agents, Sub-*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 any and all of its responsibilities and liabilities in terms of Section 37(1) of OHSA in respect of any acts or omissions of the *Contractor*, and the *Contractor's* employees, agents or Sub-*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, Sub*Contractors* 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 OPR 3305.
- A Master Permit to Work is used on declared major outages, details can be found in local procedure LBA 00085. Permit changes are made during the dead time, if it is required by the *Contractor* that a certain supply be made available or plant tested than this can be applied for at the Outage Management Meeting at least 1 day in advance.
- Plant with a prohibitive sign attached may only be operated by appointed Eskom personnel. Any *Contractor* employee found tampering with such plant will be permanently removed from Site.
- The *Contractor* shall send one or two employees to attend Authorised supervisor course which is compulsory. After completion of the course the *Contractor's* employee will write a test and go for a panel test to be found competent before they can work on the plant.

Safety Induction Course

- All the employees of the *Contractor* must attend a safety induction course before they will be allowed to work on the Site. It is the responsibility of the *Contractor* to ensure that all employees have attended the safety induction.
- A list of employees requiring safety induction must be submitted at least 2 days in advance of arrival on site with the date and time of arrival so that the safety induction can be arranged.

IBI Awareness Techniques

- "To prevent incidents and ensure continuous improvement of Lethabo Power Stations business performance in all areas affecting safety, reliability and production, it is expected of all **CONTRACTORS** service personnel, to attend a three(3) hour training session on Integrated Business Improvement Awareness, which has to be done as soon as work has commenced; This is to ensure familiarisation and use of error-prevention tools/techniques inclusive of, Pre and Post-job briefs, Risk Assessments, Self checks(STAR principle), Job observations, Effective communications e.g.3- way, Questioning attitude, Procedural adherence, Hand overs and other related topics.
- A monthly IBI scorecard to be completed indicating the use of error prevention tools/ techniques;
The assigned employee fulfilling the role of IBI representative has to attend the IBI representative's forum fortnightly, on Tuesdays, duration one hour.
- An IBI representative appointed by the *Contractor/Supplier/Consultant* to attend the IBI Representative Forum One (1) hour every Tuesday (forth nightly).

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

Transportation of passengers: open LDV's:

No *Eskom employee* or *Contractor* would be allowed to transport passengers on the back of open light delivery vehicles (LDV's).

It is a legal requirement to provide safe transportation of *Eskom* and *Contractor* employees – therefore the following will be enforced:

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

Eskom Life Saving Rules:

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

- **Rule 1:** Open, Isolate, Test, Earth, Bond, And/Or Insulate before touch - that is any plant operating above 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 limitations exists, no person shall work without the required permit to work.

Key points

1. Comply with all relevant life-saving rules at all times
2. Comply with all relevant safe work procedures
3. Guard against complacency
4. Ensure proper work planning and communication between Eskom and Contractor before performing any activity

Always remember:

- **No operating condition or urgency of service can justify endangering a person's life or causing injury or damage to the environment.**

Employees/Contractors to follow correct processes when exercising their right of refusal to perform work in an unsafe situation.

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.

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

Documentation

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

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

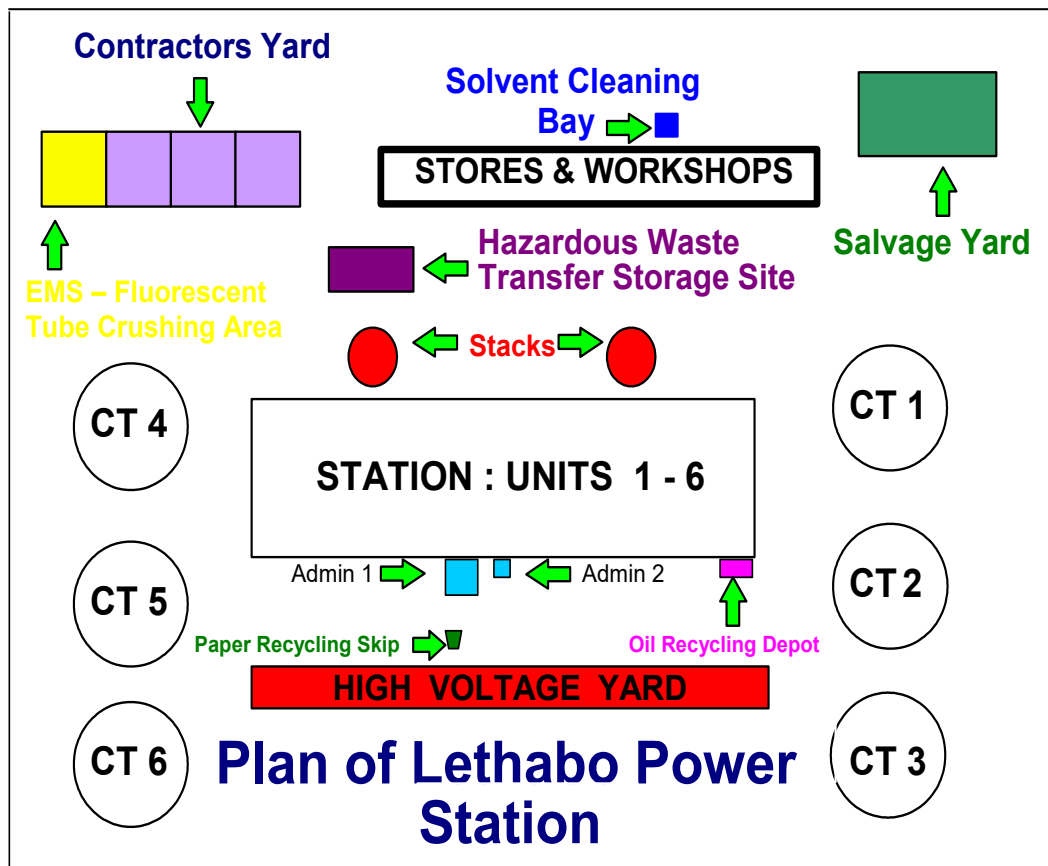
Environmental Policy and Waste Handling

Lethabo Environmental Policy LBPS010 must be adhered to.

Disposal of Waste

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

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



10.0 Hazardous Waste Disposal and Handling

- Hazardous / toxic waste includes all waste which contains elements or compounds listed as hazardous substances in terms of the Hazardous Substances Act No. 15 of 1973.
- Any *Contractor* who produces hazardous waste on site will be responsible for the safe removal of such waste to a registered Class I site by a waste removal and disposal body.
- The *Contractor* is required to produce a certificate of safe disposal in accordance with LBA 00054.
- The *Contractor* must ensure that persons handling hazardous waste have undergone suitable training and are acquainted with cleaning methods in case of a spillage.
- The *Contractor* is also responsible for the safe removal of their hazardous waste to Lethabo's Hazardous Waste Store. Other requirements for hazardous waste are detailed in LBA 00030.
- In order to ensure effective hazardous waste management, a copy of the *Contractors'* hazardous waste inventory must be supplied to the *Employer* at least 2 days prior to the

occupation

date.

Abbreviated list of Hazardous Materials

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

Plant & Materials

- The *Employer* may at his own discretion, supply any Plant and Materials as may be required by the *Contractor* to Provide the Works.
- The *Contractor* is to notify the *Employer* in writing, 48 hrs in advance, of such Plant and Materials required.

Access to and Departure from the Site

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

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

Temporary Gate Permits

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

Equipment or Material Access and Removal Access

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

Removal

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

Site or Area Establishment and Evacuation

Application for Site Establishment:

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

Site Establishment:

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

Site Evacuation:

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