



NEC3 Term Service Contract (TSC3)

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

and

**for CORROSION PROTECTION SERVICES AT SERE WIND FARM,
GOURIKWA, ANKERLIG, ACACIA, INGULA, DRAKENSBERG,
PALMIET, GARIEP, VANDERKLOOF, PORT REX AND NCORA
POWER STATION**

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CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
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C1.1 Form of Offer & Acceptance

Offer

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

Corrosion Protection Services at Peaking Power Stations (Sere Wind Farm, Gourikwa, Ankerlig, Acacia, Ingula, Drakensberg, Palmiet, Gariep, Vanderkloof, Port Rex and Ncora)

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	
	Sub total	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ¹	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)
Capacity

**For the
Employer**

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	Clause 18.3	Changed to Design excluded from corrosion scope.
2	Clause 18.5	Changed from 12 months after the service period to 12 months after completing the relevant Task Order.
3	Clause 18.4	Changed from the total of the Prices other than for the additional excluded matters. To the total of the Prices of the Task Order other than for the additional excluded matters.
4	Clause 51.2	Changed From 60 days to 30 days after receipt of an acceptable Tax Invoice and all relevant supporting documentation.

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

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

For the tenderer:

For the Employer

Signature

Name

Capacity

On behalf
of

Name &
signature
of witness

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state-owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Represented by:	James L'Etang
	Tel No.	+27 11 800 3559
10.1	The <i>Service Manager</i> is (name):	Zukiswa Nqolobe
	Address	15 Pasita Street, Rosen park
	Tel	+27 21 941 5915

e-mail		NqolobZ@eskom.co.za
11.2(2)	The Affected Property is	Sere Wind Farm, Gourikwa, Ankerlig, Acacia, Ingula, Drakensberg, Palmiet, Gariep, Vanderkloof PS, Port Rex and Ncora Power Station
11.2(13)	The <i>service</i> is	Corrosion Protection
11.2(14)	The following matters will be included in the Risk Register	• Delays and disruptions caused by the <i>Contractor</i> • Noncompliance to Health and Safety requirements • Noncompliance to Construction Regulations • Community protest • Decommissioning of stations during contract period • As identified by the parties from time to time.
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	• One (1) week • Immediately for all safety related matters.
2	The <i>Contractor's</i> main responsibilities	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	on the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	01 December 2026
30.1	The <i>service period</i> is	5 Years
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	between the 25th and 27th day of each successive month or after Completion of the Task Order.

51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	30 days after receipt of an acceptable Tax Invoice and all relevant supporting documentation.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and (ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
7	Use of Equipment Plant and Materials	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	None
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the	

final total of the Prices for the whole of the service at intervals no longer than

As and when required

11 Data for Option W1

W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Cape Town, South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	of the Association of Arbitrators (Southern Africa) or its successor body.

12 Data for secondary Option clauses

X1	Price adjustment for inflation	Price will be Fixed and Firm for the 1 st Year of Contract. From Year 2 and Subsequent Years prices will be Subjected to the Indices below																		
X1.1	The <i>base date</i> for indices is	Base date Indices are the month before the tender closing date																		
	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>15%</td><td>Table D4 - CPI</td><td>SEIFSA</td></tr> <tr> <td>65%</td><td>Table C3 - Actual Labour Cost</td><td>SEIFSA</td></tr> <tr> <td>5%</td><td>L2a</td><td>[SEIFSA</td></tr> <tr> <td>15%</td><td>non-adjustable</td><td></td></tr> <tr> <td>100</td><td></td><td></td></tr> </table>	proportion	linked to index for	Index prepared by	15%	Table D4 - CPI	SEIFSA	65%	Table C3 - Actual Labour Cost	SEIFSA	5%	L2a	[SEIFSA	15%	non-adjustable		100		
proportion	linked to index for	Index prepared by																		
15%	Table D4 - CPI	SEIFSA																		
65%	Table C3 - Actual Labour Cost	SEIFSA																		
5%	L2a	[SEIFSA																		
15%	non-adjustable																			
100																				

Defective Coating / Rework: Coating system fails inspection due to Contractor workmanship or non-compliance and requires rework.	R15 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Failure to Rectify Defects: Failure to rectify identified coating defects within the agreed period.	R10 000 per day	Limited to 10% of Purchase/Task Order value.
Use of Unapproved Materials: Use of paints, primers, thinners, abrasives or other materials not approved for the Task Order.	R20 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Failure to Provide Material Certificates: Failure to provide certificates, data sheets or batch information for coating materials when required.	R5 000 per day	Limited to 10% of Purchase/Task Order value.
Failure to Provide Inspection Records: Failure to submit required inspection and test records, including surface profile, environmental readings and DFT results.	R5 000 per day	Limited to 10% of Purchase/Task Order value.
Failure to Protect Adjacent Plant/Equipment: Failure to adequately protect equipment, structures, surfaces or operational areas from blasting, overspray, dust or contamination.	R15 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Poor Housekeeping: Failure to remove blasting media, paint debris, waste and other materials from the work area.	R5 000 per occurrence/day	Limited to 10% of Purchase/Task Order value.
Environmental Non-Compliance: Failure to comply with approved environmental controls relating to blasting, paint application, waste, emissions or contamination.	R10 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Failure to Maintain Equipment: Use of defective, unsuitable or uncalibrated equipment required for inspection or application.	R10 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Failure to Provide Competent Personnel: Personnel performing specialised corrosion protection activities without the required competency, training or certification.	R10 000 per occurrence	Limited to 10% of Purchase/Task Order value.
Failure to Submit Completion Documentation: Failure to submit final reports, photographs, inspection results, DFT records, material records and other close-out documentation.	R5 000 per day	Limited to 10% of Purchase/Task Order value.
Failure to Meet Agreed Service Response Time: Contractor fails to respond to an authorised request for corrosion inspection, assessment or remedial works within the response period specified in the Task Order.	R10 000 per day	Limited to 10% of Purchase/Task Order value.

	Coating Application Under Unacceptable Environmental Conditions: Contractor proceeds with surface preparation or coating application when environmental conditions fall outside the approved limits.	R15 000 per occurrence	Limited to 10% of Purchase/Task Order value.
X18	Limitation of liability		
X18.1	The Contractor's liability to the Employer for indirect or consequential loss is limited to	R0.0 (zero Rand)	
X18.2	For any one event, the Contractor's liability to the Employer for loss of or damage to the Employer's property is limited to	the amount of the deductibles relevant to the event	
X18.3	The Contractor's liability for Defects due to his design of an item of Equipment is limited to	Design excluded from corrosion protection.	
X18.4	The Contractor's total liability to the Employer, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	The total of the Prices of the Task Order other than for the additional excluded matters. The Contractor's total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the Contractor is liable under this contract for Defects due to his design, plan and specification, Defects due to manufacture and fabrication outside the Affected Property, loss of or damage to property (other than the Employer's property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.	
X18.5	The end of liability date is	12 months after the end of the service period.	
X19	Task Order		
X19.5	The Contractor submits a Task Order programme to the Service Manager within	Three (3) calendar days of receiving the Task Order	
Z	The additional conditions of contract are Z1 to Z14 always apply.		

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

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

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

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

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it

is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.

Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

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

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

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

- will adhere to Eskom's Occupational Health and Safety policies, standards, procedures, directives, OHS requirements, applicable health and safety laws and regulations and other requirements, as amended.
- may not commence work until the Health and Safety file has been approved by the respective Contract Custodian together with the OHS professional.
- accepts that the *Employer* may appoint him as the "Main *Contractor*" for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the service; and
- undertakes, in and about the execution of the service, to comply with 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.
- the *Contractor*, in and about the execution of the service, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

Z6.2 Personal Protective Equipment (PPE) Compliance:

- Compliance with PPE requirements is compulsory and non-negotiable across all operational areas. Non-compliance will result in immediate and strict consequence management as stipulated in the memorandum referenced in Annexure B of the OHS Requirements.

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

- Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

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

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

Z9 Employer's limitation of liability

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

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

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

Z11 Ethics

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

Affected Party	means, as the context requires, any party, irrespective of whether it is the <i>Contractor</i> or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
Coercive Action	means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
Collusive Action	means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
Committing Party	means, as the context requires, the <i>Contractor</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

Corrupt Action means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,

Obstructive Action means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and

Prohibited Action means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

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

Insurance cover 83

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

Insurance against	Minimum amount of cover or minimum limit of indemnity
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance. The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance.

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

Z 12.2 Replace core clause 86 with the following:

**Insurance 86
by the
Employer**

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

INSURANCE TABLE B

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

Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z14 Intellectual Property – Eskom owning Intellectual Property

“Intellectual Property” means (a) patents, trade marks, service marks, rights in designs, trade names, trade secrets, know how, copyrights and topography rights, in each case whether registered or not; (b) applications for registration of any of them; (c) rights under licences and consents in relation to any of them; (d) all forms of protection of a similar nature or having equivalent or similar effect to any of them which may subsist anywhere in the world.

“Background Intellectual Property” means any and all Intellectual Property rights that are not Foreground Intellectual Property, and are owned or controlled by the relevant party or licensed to the relevant party prior to or outside of the [works](#) but required for the purposes of the [works](#).

“Foreground Intellectual Property” means all Intellectual Property rights and other matter capable of being the subject of intellectual property rights that is conceived, first reduced to practice or writing or developed in whole or in substantial part in the course of the execution of the [works](#) and rights which are developed substantially as a result of the [works](#). Any [works](#) that will be developed, changed, modified and/or improved specifically for the Purposes will be Foreground Intellectual Property. Any data or any other information relating to [Employer’s](#) proprietary information generated from the use of the [Contractor’s](#) Background Intellectual Property.

Z14.1 The [Contractor](#) retains ownership of all Background Intellectual Property rights made by or on behalf of the [Contractor](#) as part of the [works](#) in information or material it uses in carrying out the [works](#).

Z14.2 All Foreground Intellectual Property rights, contained in any developed materials which are created by the [Contractor](#) or on behalf of the [Contractor](#), for the purposes of and in support of the execution of the [works](#) ([Employer’s](#) IP) vest with the [Employer](#).

Z14.3 Any data or any other information relating to [Employer’s](#) proprietary information generated from the use of the [Contractor’s](#) Background Intellectual Property, the copyright therein shall be owned by the [Employer](#).

Z14.4 The [Contractor](#) acknowledges that all rights, title, and interest in and to the Foreground Intellectual Property that may result or originate from or be developed in execution of the [works](#) vests in the [Employer](#) and that the [Contractor](#) has no claim of any nature in and to the Foreground Intellectual Property.

Z14.5 The [Contractor](#) ensures that a copyright notice is incorporated or embossed or labelled on the Foreground Intellectual Property, where the [Employer](#) is reflected as the owner of the Foreground Intellectual Property.

Z14.6 The [Contractor](#) is obliged to provide Foreground Intellectual Property manufacturing documents, designs, processes and/or specifications to the [Employer](#) before/on the [Completion Date](#).

Z14.7 The [Contractor](#) procures that each Sub-[Contractor](#) executes all and any [works](#), and takes all and any other actions as may be required, in order to give effect to this Agreement.

Z14.8 The [Employer](#) retains all Background Intellectual Property rights in all documents made by or on behalf of the [Employer](#) including all documents and requirements provided prior to or during the

execution of the **works**. The **Contractor** does not, without the written consent, of the **Employer**, copy, use or issue to a third party any of the **Employer's** Background Intellectual Property documents and requirements except for the purposes of executing the **works**.

Z14.9 Either party procures that any third party executes confidentiality undertakings not to disclose to any other third parties, any of the **Employer's** Background Intellectual Property and IP documents and requirements at all, in respect of the **Employer**, or the Background Intellectual Property, in respect of the **Contractor**.

Z14.10 Third Party Claims:

Z14.10.1 In the event of any claims being made or actions brought against the **Employer**, on the ground that the **Contractor** infringed any patent, trade mark or copyright, the **Contractor** is notified thereof and at its own expense, conducts all negotiations in consultation with the **Employer** for the settlement of the claim and litigation that may arise from such alleged infringement, provided that the **Employer** will not bear any financial burden or losses.

Z14.10.2 Save where the **Contractor** fails to take over the conduct of the negotiation or litigation within a reasonable time of the notification of the alleged infringement, the **Employer** does not make any admission which might be prejudicial to the **Contractor's** position. The **Employer**, at the request and the cost of the **Contractor** affords it all reasonable technical assistance that the **Employer** is able to provide for the purpose of contesting any such claim or action.

Z14.10.3 Should it be held in any such action that any such protected rights have been infringed, as definitely stated by a judgment of the court before which the action is brought, the **Contractor**, at its own expense and in consultation with the **Employer**, either:

- procures for **Employer** the right to continue to use the affected item or design, or
- replaces the said affected item or design with a non-infringing item, or
- provides a design of equivalent quality or modify such affected item or design so as to make it non-infringing without affecting the quality.

Z14.10.4 Notwithstanding anything contained in this contract, the foregoing sets forth the entire responsibility of **Contractor** with respect to claims relating to infringement.

Z14.10.5 Where it is alleged that the **Employer** has committed an infringement as intended vis-à-vis the **Contractor** as set out in the third party intellectual property infringement clause, the **Employer** has the same rights and obligations as the **Contractor**, mutatis mutandis, as regards such alleged infringement.

Z14.10.6 The **Contractor** herewith indemnifies the **Employer** and undertakes to keep the **Employer** indemnified against all claims of whatsoever nature, real or imagined, which may be made against the **Employer** arising from the infringement of any third party intellectual property rights.

Z14 Asbestos

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

AAIA means approved asbestos inspection authority.

ACM means asbestos containing materials.

AL means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.

Ambient Air means breathable air in area of work with specific reference to breathing zone, which

is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.

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

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

the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

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

C1.2 Contract Data

Part two - Data provided by the *Contractor*

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	N/A
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	10% 15%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience:	
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	Part 2: Price List
11.2(19)	The tendered total of the Prices is	

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	3
C2.2	The <i>price list</i>	4

C2.1 Pricing assumptions: Option A

1 How work is priced and assessed for payment

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

Identified and defined terms	11 11.2	(12) The Price List is the <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.
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This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

2 Function of the Price List

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

3 Link to the *Contractor's* plan

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

4 Preparing the *price list*

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

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

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

4.1 Format of the *price list*

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

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

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

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

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

C2.2 the *price list*

APPENDIX A

- C2.2A: Ankerlig 1 PS Price List
- C2.2B: Ankerlig 2 PS Price List
- C2.2C: Ankerlig 3 PS Price List
- C2.2D: Gourikwa PS Price List
- C2.2E: Ingula PS Price List
- C2.2F: Drakensberg PS Price List
- C2.2G: Palmiet PS Price List
- C2.2H: Gariep PS Price List
- C2.2I: Vanderkloof PS Price List
- C2.2J: Acacia PS Price List
- C2.2K: Port Rex PS Price List
- C2.2L: Sere Wind Farm Price List

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	3
C3.1	<i>Employer's</i> Service Information	22
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

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1 Description of the service

1.1 Executive overview

The *Employer* requires the *Contractor* to provide corrosion protection services on an “as and when required” basis for Eskom Peaking sites.

The service includes the inspection, assessment, preparation, repair, rehabilitation, maintenance and protection of corroded plant, equipment, structures, tanks, piping, buildings and associated assets.

The objective of the service is to restore the integrity of corrosion protection systems, extend asset life, minimise unplanned failures, maintain structural integrity, improve plant reliability and ensure compliance with Eskom standards and statutory requirements.

The detailed technical requirements for Providing the Service are contained in the Scope of Work for Corrosion Protection Services on an “As and When Required” Basis for Eskom Peaking, Unique Identifier 167A/20899, Revision 1.0, which forms part of the Service Information.

1.2 Employer's Objectives and Purpose of the Service

The purpose of the service is to provide corrosion protection maintenance and associated services for Eskom Peaking assets on an as and when required basis.

The *Employer's* objectives are to:

- a) restore and maintain the integrity of corrosion protection systems;
- b) extend the service life of plant, equipment and structures;
- c) minimise unplanned failures;
- d) maintain structural integrity;
- e) improve plant reliability;
- f) define corrosion protection maintenance requirements;
- g) provide requirements for defect identification and repair;
- h) address station-specific corrosion remediation requirements; and
- i) establish quality assurance and inspection requirements.

These objectives are taken directly from the purpose and introduction of the Engineering Scope.

1.3 Scope of the Service

The *Contractor* provides the *Service* in accordance with the Scope of Work for Corrosion Protection Services on an “As and When Required” Basis for Eskom Peaking, Unique Identifier 167A/20899, Revision 1.0, and the requirements of each Task Order.

The service includes corrosion assessment and surveys, inspection, testing and reporting; corrosion protection system remediation and rehabilitation; corrosion protection coating application; and repair or replacement of degraded components exposed to atmospheric, industrial, coastal, freshwater, hydro-mechanical and similar environments.

The *Contractor* provides all labour, supervision, equipment, materials, access systems, scaffolding, consumables, testing services, specialist engineering support, quality control, environmental management and documentation necessary to Provide the Service.

The service is undertaken when instructed by the *Service Manager*.

1.4 Affected Property

The Affected Property is the Eskom Peaking Power Stations, plant, equipment, structures, systems and associated infrastructure identified in the Scope of Work for Corrosion Protection Services on an “As and When Required” Basis for Eskom Peaking, Unique Identifier 167A/20899, Revision 1.0.

The specific location, plant, equipment, structure or system on which the *Contractor* Provides the Service is identified in the applicable Task Order.

1.5 Nature of the Service

The *Contractor* provides the following categories of corrosion protection maintenance:

- a) Planned Maintenance;
- b) Corrective Maintenance;
- c) Reactive Maintenance;
- d) Emergency Maintenance; and
- e) Corrosion protection during storage and preservation.

These are the maintenance categories expressly provided for in the Engineering Scope.

The response and Completion requirements applicable to the different maintenance categories are as stated in the Scope of Work and/or the applicable Task Order.

1.6 Interpretation and Terminology

Technical definitions and abbreviations applicable to the service are as stated in the Scope of Work for Corrosion Protection Services on an “As and When Required” Basis for Eskom Peaking, Unique Identifier 167A/20899, Revision 1.0.

Where terminology in the Scope of Work differs from terminology defined in the NEC3 Term Service Contract, the terminology of the conditions of contract is used for contractual administration.

2 Management strategy and start up.

2.1 Roles and responsibilities

The *Contractor* Provides the Service in accordance with the Service Information, accepted method statements, Quality Control Plans (QCPs), Inspection and Test Plans (ITPs), applicable Eskom standards and applicable legislation.

The *Contractor* works with the *Employer's* relevant Engineering, asset management, project/site and environmental representatives as required for the execution and monitoring of the *service*.

The Engineering Scope assigns responsibility to the System Engineer for identifying maintenance requirements, preparing technical scopes, reviewing *Contractor* submissions, assessing technical compliance and reviewing method statements, QCPs and ITPs. It also assigns monitoring responsibilities to site/project personnel and environmental personnel.

For contractual purposes, communications, instructions, submissions and acceptances are made through the *Service Manager*.

2.2 Management meetings

The *Contractor* attends management and contract review meetings as required by the *Service Manager*.

Meetings may include discussion of:

- a) progress of current Task Orders;
- b) planned and upcoming work;
- c) corrosion assessment findings;
- d) health and safety matters;
- e) environmental matters;
- f) quality matters;
- g) defects and corrective actions;
- h) risks and constraints;
- i) contractor performance; and
- j) other matters affecting the provision of the service.

The *Contractor* provides appropriately authorised and competent representatives for meetings.

The Engineering Scope specifically includes monthly contract review meetings and progress reviews as part of the monitoring process.

2.3 Communications and documentation control

- a) *Contractor* submits all communications and documentation relating to the service in accordance with the communication requirements of the contract and the *Employer's* document control requirements.
- b) documentation submitted by the *Contractor* clearly identifies, where applicable:
- c) the contract;
- d) applicable Task Order;
- e) power station or Affected Property;
- f) relevant plant or asset;
- g) document title and number;
- h) revision and date; and

- i) purpose/status of the submission.

The *Contractor* maintains complete and auditable records for each Task Order.

2.4 Contractor's submissions

Before commencement of the relevant service, the *Contractor* submits the technical and quality documentation required by the Scope of Work for acceptance by the Service Manager.

The welding/NDT documents that must be submitted before the applicable work starts: WPS, WPQR/PQR, welder qualifications, NDT procedures/technique sheets, NDT personnel certificates/Eskom approvals, and applicable ITP/QCP

As a minimum, the *Contractor* submits, where applicable:

- Method Statements;
- Quality Control Plans (QCPs);
- Inspection and Test Plans (ITPs);
- product specifications; and
- Material Data Sheets.

The Engineering Scope expressly requires these submissions to be accepted by the *Service Manager* before commencement of the work.

Where a corrosion protection system is designed or selected for a particular application, the *Contractor* also submits the proposed corrosion protection system for the required acceptance before implementation. The Scope requires systems to be appropriate to the site-specific environmental conditions and submitted before work is implemented.

2.5 Invoicing and payment.

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

The *Service Manager* is copied on all emailed electronic invoices. Failure to submit an invoice to the correct address could delay payment.

Invoices are submitted electronically to:

Local Invoices: invoiceseskomlocal@eskom.co.za

The *Contractor's* Tax Invoices comply with the requirements of clause Z7 of the Contract Data.

When submitting an invoice:

- a) The email subject line contains the Contractor's vendor number.
- b) Each invoice is submitted in PDF format only and the PDF is named using the invoice number only.
- c) Proof of delivery, with an acceptance signature, is attached for items delivered to site.
- d) Where applicable, supporting documents are attached to the scanned PDF invoice as one attachment.
- e) A copy of the signed assessment certificate is included.

- f) The CPA calculation sheet is included where applicable.
- g) A Retention Certificate is included where the invoice relates to retention.

The *Contractor* complies with the applicable tax requirements for electronic invoices. Each PDF contains only one invoice, credit note or debit note. More than one invoice may be submitted in one email. Any applicable Contract Price Adjustment (CPA) is invoiced separately, so that an issue relating to the CPA does not delay payment of the other invoice amounts.

Each Tax Invoice includes:

- a) name and address of the *Contractor* and Service Manager;
- b) contract number and title;
- c) *Contractor's* VAT registration number;
- d) *Employer's* VAT registration number: 4740101508;
- e) total amount excluding VAT, VAT amount and total including VAT;
- f) company registration number, where applicable;
- g) banking details;
- h) name and address of the recipient;
- i) tax invoice number and date of issue;
- j) description of goods/services provided;
- k) quantity or volume of goods/services;
- l) period for which the invoice is rendered;
- m) relevant Task Order number commencing with a 45 prefix;
- n) relevant line-item number; and
- o) statement indicating whether VAT is included or excluded.

The Contract Data further states that the assessment interval is between the 25th and 27th day of each successive month or after Completion of the Task Order, and payment is made 30 days after receipt of an acceptable Tax Invoice and all relevant supporting documentation.

2.6 Defect identification, criticality and reporting

The *Contractor* identifies, assesses, records and reports corrosion-related defects identified during inspections, assessments and while Providing the Service.

The *Contractor* assesses each identified defect considering its severity, risk and potential impact on:

- personnel safety;
- environmental compliance;
- asset integrity;
- plant reliability; and
- operational performance.

Each identified defect is assigned a criticality rating of Critical, High, Medium or Low.

Criticality	Description / Required Action	Intervention
Critical	Defect presents an immediate risk and requires immediate corrective or emergency action.	Immediate / Emergency

Criticality	Description / Required Action	Intervention
High	Defect is likely to result in significant deterioration, reliability impact or increased repair cost if not addressed. Priority corrective action is required.	Within 30 days
Medium	Corrective action is required, but the defect does not present a current significant operational or safety risk.	During an appropriate planned maintenance intervention or outage
Low	Minor defect that does not require immediate corrective action.	Monitor and address during future planned maintenance

The *Contractor* records, as applicable:

- the identified defect;
- location and asset identification;
- defect criticality rating;
- justification for the assigned rating;
- nature and extent of corrosion or deterioration;
- recommended corrective action, repair or replacement;
- monitoring requirements, where applicable; and
- recommended intervention timeframe.

The *Contractor* includes the identified defects and their criticality ratings in the relevant inspection or corrosion assessment report and updates the applicable corrosion and/or defect register.

Critical and High defects are immediately brought to the attention of the *Service Manager* and are not left until submission of the routine inspection or assessment report.

Where the condition of an asset requires further investigation to determine the extent or severity of deterioration, the *Contractor* carries out the required inspection and testing as instructed. Where severe corrosion is identified, further investigation may include Ultrasonic Thickness Testing (UTT), Magnetic Particle Inspection (MPI), Penetrant Testing (PT), visual weld inspection, structural evaluation, corrosion mapping and material-loss assessment, as applicable.

2.7 Welding and Non-Destructive Testing (NDT).

Where NDT is required, the *Contractor* ensures that the NDT Service Provider and NDT personnel are suitably qualified, certified, authorised and experienced for the applicable NDT method and have the required Eskom approval before performing NDT on Eskom plant.

An NDT Service Provider that is not already Eskom approved is assessed and approved by the relevant Eskom NDT Level 3 or Administrative NDT Level 3 before NDT work commences.

The *Contractor's* NDT Service Provider appoints a suitably qualified NDT Level 3 who has overall technical responsibility for the NDT activities performed by the NDT Service Provider.

NDT is performed only in accordance with written and authorised NDT procedures and applicable item-specific technique sheets.

Before NDT commences, the applicable inspection method, examination extent, code and acceptance criteria are agreed with the *Employer*. Acceptance criteria stated as "to be agreed at time of test" are not permitted.

2.8 Records of defined cost to be kept by the *Contractor*

Clear records of hours worked or time sheets in respect of all time charges shall be kept by the *Contractor* and shall indicate the resource utilised, location, duration, and times, associated expenses incurred, and a summary of the *services* rendered which shall be cross-referenced to deliverables rendered. The *Service Manager* shall request and review all timesheets.

Records to be kept and separated in the following categories:

- SHE related
- Labour costs
- Transport
- Accommodation
- Living out
- Materials
- Plant and equipment

The *Contractor* maintains records of all documentation and shall be provided to the *Service Manager* in electronic format and hard copy on monthly basis.

2.9 Insurance provided by the *Employer*

Insurance provided by the *Employer* is as stated in Clause Z12 of the Contract Data.

The *Contractor* addresses any queries regarding insurance cover, insurance claims and/or applicable insurance procedures to the *Service Manager*.

2.10 Design and supply of Equipment

The requirements for Providing the Service are described in this Service Information and in the Scope of Work for Corrosion Protection Services on an "As and When Required" Basis for Eskom Peaking, Unique Identifier 167A/20899, Revision 1.0, which forms part of the Service Information.

The *Contractor* does not make any alteration or modification to the Employer's existing equipment without the prior written acceptance of the *Service Manager*.

Where the service requires the *Contractor* to design, the *Contractor* submits the proposed system and the required supporting technical documentation to the *Service Manager* for acceptance before implementation.

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

a) Information and other things

At the end of the service period, the *Contractor* hands over a complete service records file to the *Service Manager*.

The service records file includes, but is not limited to:

- communications;
- instructions;
- Task Orders;
- compensation event records;
- early warnings;
- dispute records, where applicable;
- certificates;
- reports;

- health and safety records and instructions; and
- other records generated in connection with Providing the Service.

The *Contractor* will also be expected to submit:

- corrosion assessment reports,
- inspection records,
- before-and-after photographs,
- asset/defect information,
- coating system information,
- test results,
- DFT records and acceptance records generated during the service.

2.12 Management of work done by Task Order

a) All work under the contract is managed through Task Orders in accordance with Option X19: Task Order and the requirements of the contract.

The process for initiating and placing a Task Order is as follows:

1. The *Service Manager* issues a Task Order Request to the Contractor describing the service required.
2. The *Contractor* prepares and submits a Task Order quotation to the Service Manager, together with the information required to support and assess the quotation.
3. The *Service Manager* assesses the Task Order quotation for acceptability and, where required, conducts clarifications with the Contractor.
4. Following acceptance of the Task Order quotation, the *Service Manager* issues the Task Order and the applicable Purchase Order (PO) to the Contractor.
5. The Contractor Provides the Service in accordance with the issued Task Order, this Service Information and the conditions of contract.

3 Environmental constraints and management

The *Contractor's* rates tendered shall cover all costs that will be incurred to comply with all requirements of the environmental requirements. Special attention is drawn inter alia to the following aspects:

- 1) The *Contractor's* attention is drawn to the fact that the Power Station is situated in a highly sensitive environmental area and that any incident that may result in an environmental impact must be brought to the attention of the *Service Manager* as soon as it is possible. The site is managed in accordance with an ISO 14001 certified management system, and the *Contractor* will be expected to manage all processes in line with environmentally sound principles.
- 2) The *Contractor*, in and about the execution of the service, complies with all applicable National, Provincial and Municipal environmental legislation and by laws.
- 3) Comply with all environmental legislation of South Africa, including but not limited to:
National Environmental Management Act 107 of 1998
National Environmental Management: Biodiversity Act 10 of 2004
National Environmental Management Waste Act 59 of 2008
National Water Act 36 of 1998
Eskom Waste Standard latest revision
Waste Management: Norms and standards: Act 59 of 2008 latest revision
- 4) The *Contractor* shall adhere to all permits, licenses, and Environmental Authorisations (EAs) applicable to the site.
- 5) The *Contractor* shall comply with local municipal bylaws on waste disposal, noise, and hazardous materials.
- 6) The *Contractor* shall comply to all National and Local legislation requirements as well as Eskom procedures and policy. Eskom's goal is to ensure zero harm to the environment, and to ensure that any possible impact is mitigated or managed. The Duty of Care and implementation of best practice is critical during operations, and full communication on environmental issues is required at all times.
- 7) Site/laydown demarcation: The *Contractor* shall demarcate his camp site, be restricted to that specific area and take full responsibility to restore the area to its original condition before the contract commenced.
- 8) The *Contractor* shall identify and conduct an environmental risk assessment of any activities that may impact the environment to ensure mitigating measures and controls in place.
- 9) Waste management: The *Contractor* shall dispose of all waste off-site at a licensed waste disposal facility and submit proof to Eskom. The method statement on waste management will need to include the identification of possible waste streams, temporary storage and disposal options for each waste type, and contingency plans in the case of any environmental incident.
- 10) The *Contractor* shall ensure that all paints, coatings, solvents, thinners, cleaning agents and other hazardous substances are stored, handled and disposed of in accordance with applicable legislation, Safety Data Sheets and manufacturer requirements.
- 11) A Safety Data Sheet must be supplied for all chemical or hazardous / potentially hazardous material brought onto site.
- 12) Sanitation: The *Contractor* shall provide an appropriate enclosed temporary sanitation facility.
- 13) Dust control: The *Contractor* shall be responsible to apply effective dust control measures.

- 14) Fire prevention: It shall be the responsibility of the *Contractor* to prevent fires at all times during the contract.
- 15) The *Contractor* shall take full responsibility for protecting the natural environment and eliminating or minimising the negative impacts of their activities on the environment during construction. Nothing specified herein shall relieve the *Contractor* of any obligations or responsibilities in this regard.
- 16) The *Contractor* shall implement an Environmental Policy and plan, in line with relevant various compliance obligations, statutory regulations, including all national, provincial and municipal legislation/regulations.
- 17) Method statements which include environmental protection shall be submitted to the *Service Manager* within 14 days after the.
- 18) The *Contractor* shall conduct his activities so as to cause the least possible disturbance and adverse impact to the existing amenities, whether natural or man-made, in accordance with all the currently applicable statutory requirements. Special care shall be taken by the *Contractor* to prevent irreversible damage to the environment.
- 19) The *Contractor* shall take adequate steps to educate all members of his workforce as well as his Supervisory staff on the relevant environmental laws and regulations. The *Contractor* shall supplement these steps by prominently displayed notices and signs in strategic locations to remind personnel of environmental concerns.

4 Health and safety, the environment and quality assurance

4.1 Health and safety risk management

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

- a) Will adhere to Eskom's Occupational Health and Safety policies, standards, procedures, directives, OHS requirements, applicable health and safety laws and regulations and other requirements, as amended.
- b) May not commence work until the Health and Safety file has been approved by the respective Contract Custodian together with the OHS professional.
- c) Warrants that the total of the Prices as at the Contract date includes a sufficient amount for proper compliance with, 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 works.

4.2 Health and safety risk management

- a) The *Contractor* shall comply with the health and safety requirements contained in OHS Specification and the approved safety file. *Service Manager* reserves the right to review the OHS Specification to address the Operational risks and the contractor shall comply with the latest SHE Specification as amended at no cost.
- b) The OHSACT 37(2) agreement must be signed by Employer and Contractor/service provider's representatives.
- c) The Contractor OHS professional must conduct internal audits at planned intervals to monitor compliance to the contractual health and safety requirements.
- d) The Contract Custodian must conduct inspections at planned intervals to monitor compliance to the contractual health and safety and legal requirements.
- e) The Contractor may be selected during internal and/or external Eskom Power Station audits to verify compliance to legal and contractual OHS requirements. The Contract Custodian will communicate this at relevant time periods and the contractor shall avail themselves for this audit.
- f) Below are minimum Safety requirements to be adhered to by contractors/service providers, to gain access to Eskom Power Stations:
 - I. Valid Medical fitness certificate
 - II. Clearance from SAPS or accredited service provider linked to SAPS AFIS system not older than thirty (30) days
 - III. Identification document (RSA ID or equivalent)
 - IV. National Drivers Licence (applicable to drivers)
 - V. Adherence to the Eskom Life-saving rules 3 Buckle up and 4, Be Sober
 - VI. Applicable risk based Personal Protective Equipment
 - VII. Valid letter of good standing (COIDA or equivalent). Access to site to perform work will be denied should the Letter of good standing be expired.
 - VIII. Induction will only be conducted after all documents have been submitted and accepted by Service Manager.
- g) The contractor/supplier/consultant who is working alone and not eligible to register with the compensation fund, shall provide Service Manager with the member benefit statement of the insurance cover which include life and disability cover to the minimum fund of R500 000. Note: Induction will only after the above documents have been submitted and accepted by Service Manager.

4.3 Contractor/service provider Management Key Performance Indicators (KPI's)

- a) Maintain Health and Safety file, and compliance with the health and safety plan, Eskom OHS requirements and applicable legislation as amended.
- b) Always maintain good housekeeping where the task is being carried out and/or within the area of responsibility.
- c) Implement and monitor near miss reporting strategy / Programme (reporting of near misses).
- d) Develop and comply with Behavioural Safety Observation (BSO) and Planned Job Observation programmes (PJO).
- e) Maintain Zero Fatalities for the duration of the contract.
- f) At any given point, the OHS performance must be within the lost time injury (LTI) tolerance level as amended.
- g) All incidents must be reported immediately or before the end of the particular shift during which the incident occurred.
- h) All incident investigations shall be completed within 30 days of the occurrence of an incident.
- i) Incident investigation recommendations shall be closed within the recommended time frame recorded in the Incident investigation report.
- j) Close audit findings as per the Eskom procedure or audit report recommended time frames.
- k) Close non-conformance as per the recommended time frames.

Note: Monitoring of the above mentioned KPI's will take place through regular audits and inspection.

On completion of the Service/contract, *Service Manager* together with the *Contractor* shall conduct the final meeting to identify the gaps prior to the contract close out. Before the final invoice is paid/processed, the *Contractor* shall ensure that the below requirements are met:

- i. Close all incidents and audit findings.
- ii. Clean the respective yard and ensure good housekeeping where the contractor was working.
- iii. *Contractor* shall submit safety statistics and a safety file to Eskom Business Unit Safety department for closeout and filling.
- iv. Completion of a closeout report (**Gx Post Contract reviews**) to close the contractual work.

4.4 Environmental constraints and management

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

a) Legislation

The *Contractor* complies with all environmental legislation of South Africa in respect of controlling air pollution, water pollution and waste disposal, etc.

The *Contractor's* rates tendered shall cover all costs that will be incurred to comply with all requirements of the environmental requirements. Special attention is drawn inter alia to the following aspects:

- a) The *Contractor's* attention is drawn to the fact that the Affected Property is situated in a highly sensitive environmental area and that any incident that may result in an environmental impact must be brought to the attention of the *Service Manager* as soon as it is possible. The site is managed in accordance with an ISO 14001 certified management system, and the *Contractor* is expected to manage all processes in line with environmentally sound principles.
- b) The *Contractor*, in and about the execution of the *service*, complies with all applicable national, provincial and Municipal environmental legislation and by laws.

- c) Comply with all environmental legislation of South Africa, including but not limited to:
- i. National Environmental Management Act 107 of 1998
 - ii. National Environmental Management Waste Act 59 of 2008
 - iii. National Water Act 36 of 1998
 - iv. Eskom Waste Standard latest revision
 - v. Waste Management: Norms and standards: Act 59 of 2008 latest revision
- d) Adhere to all permits, licenses, and Environmental Authorisations (EAs) applicable to the site.
- e) Comply with local municipal bylaws on waste disposal, noise, and hazardous materials
- f) The *Contractor* shall comply to all National and Local legislation requirements as well as Eskom procedures and policy. Eskom's goal is to ensure zero harm to the environment, and to ensure that any possible impact is mitigated or managed. The Duty of Care and implementation of best practice is critical during operations, and full communication on environmental issues is required at all times.
- g) **Site/laydown demarcation:** The *Contractor* shall demarcate his camp site, be restricted to that specific area and take full responsibility to restore the area to its original condition before the contract commenced.
- h) **Waste management:** The *Contractor* shall dispose of all waste off-site at a licensed waste disposal facility and submit proof to Eskom. The method statement on waste management will need to include the identification of possible waste streams, temporary storage and disposal options for each waste type, and contingency plans in the case of any environmental incident. A Safety Data Sheet must be supplied for all chemical or hazardous / potentially hazardous material brought onto site."
- i) **Sanitation:** The *Contractor* shall provide an appropriate enclosed temporary sanitation facility
- j) **Dust control:** The *Contractor* shall be responsible to apply effective dust control measures.
- k) **Fire prevention:** It shall be the responsibility of the *Contractor* to prevent fires at all times during the contract.
- l) The *Contractor* shall take full responsibility for protecting the natural environment and eliminating or minimising the negative impacts of construction on the environment during construction. Nothing specified herein shall relieve the *Contractor* of any obligations or responsibilities in this regard.
- m) The *Contractor* shall implement an Environmental Policy and plan, in line with relevant various compliance obligations, statutory regulations, including all national, provincial and municipal legislation/regulations.
- n) Method statements which include environmental protection shall be submitted to the *Service Manager* within 14 days after the.
- o) The *Contractor* shall conduct his activities so as to cause the least possible disturbance and adverse impact to the existing amenities, whether natural or man-made, in accordance with all the currently applicable statutory requirements. Special care shall be taken by the *Contractor* to prevent irreversible damage to the environment.
- p) The *Contractor* shall take adequate steps to educate all members of his workforce as well as his *Supervisory* staff on the relevant environmental laws and regulations. The *Contractor* shall supplement these steps by prominently displayed notices and signs in strategic locations to remind personnel of environmental concerns.

b) Green practices

The *Contractor* must carry out good environmental practices in carrying out the works for conserving the global & local environment. Such practices shall include but not be limited to the replacing all chemical-based cleaning agents by other natural/organic alternatives when such chemicals is provided by the *Contractor*. During sweeping and dusting, the *Contractor* shall ensure that a minimum amount of dust is liberated into the atmosphere. The use of compressed air for cleaning is prohibited.

c) Functional requirements

- a) The *Contractor* submits a complete condition assessment report of the welding service required and executed.
- b) The *Contractor* is to be certified (in terms of the South African Occupational Health and Safety Act of 1993 and Construction Regulations 2014) and has the necessary skills to carry out the *works*.
- c) The *Contractor* provides detailed procedures that are to be employed, describing step by step how the *Contractor* performs the *works*.
- d) The *Contractor* provides an organogram, specific to this service, detailing all the positions and individuals responsible for technical expertise and logistic support. CVs of all key personnel.
- e) A professionally registered person is required to compile and review the final inspection report.

d) Method statements

The *Contractor* shall submit, before 14 calendar days of commencement of any activity, a Method Statement containing details of all site layouts and environmental protection measures proposed to the *Service Manager* for review and acceptance.

These shall include but not limited to:

- i. Site establishment layout.
- ii. Pollution prevention measures.
- iii. Waste including water management plan.
- iv. Incident and emergency management

The *Contractor* shall identify the potential environmental aspects and impacts that may occur as a result of his/her activities and accordingly prepare separate Method Statements describing how each of these impacts will be prevented or managed so that the standards set out in this document are achieved.

In addition, the *Contractor* shall provide detailed method statements on how he intends to carry out the works; this shall apply to all, and any part of the works as provided in the *conditions of contract*.

e) Temporary services and facilities

Cleaning, maintenance and repairs of vehicles shall be done off site.

f) Protection of rivers, streams and watercourses

- a) All rivers, streams and watercourses shall be protected from direct or indirect spills of pollutants such as garbage, sewage, cement, oils, fuels, chemicals, aggregate tailings, silt and wastewater or organic material resulting from the Contractor's activities. In the event of a spill prompt action shall be taken to clear polluted or affected areas.
- b) The *Contractor* shall not work within river flood lines, streams, water courses and wetlands without the written acceptance of the *Service Manager* as required for the execution of the work.

g) Refuse and waste control

- a) The management of solid waste on Site shall be strictly controlled and monitored. Only licenced waste disposal landfill sites shall be used.
- b) The quantities of waste generated on Site shall be minimised; Labelled recycling bins shall be used and waste separated where possible. In addition, a recycled-material collection schedule shall be established, and the bins shall be collected regularly.
- c) Eating areas for the construction staff shall be designated and supplied with waste bins.

- d) No on-site burying or dumping or unauthorised burning of any waste materials, vegetation, litter, or refuse shall occur.
- e) Bins provided must have lids and will be sufficient to store the solid waste produced on a daily basis.
- f) The bins should be emptied at least once a day.
- g) Waste from bins may be temporarily stored on Site in a central waste area that is weatherproof and scavenger-proof and which the *Service Manager* has accepted.
- h) All solid waste shall be disposed of off site, at a licenced landfill site. The *Contractor* shall supply the *Service Manager* with a certificate of disposal; and waste shall be separated into domestic waste, building/construction rubble, scrap metal, oil and grease and hazardous waste and dealt with in the following manner:

h) Chemicals and detergent usage

- 1) The *Contractor* shall ensure that only SABS-approved, environmentally friendly, and non-toxic chemicals/products are used.
- 2) Safety Data Sheets (SDS) must be provided and accessible on-site for all chemicals and detergents used.
- 3) New chemicals must be submitted with full Material Safety Data Sheets (SDS) for approval before use.
- 4) The *Contractor* shall ensure that containers are clearly labelled with content, hazard warnings, and expiry dates. A chemical and detergent inventory log must be maintained and updated.
- 5) Mixing and dilution must be done following manufacturer guidelines to avoid overuse or wastage

i) Protection of flora

The removal, damage and disturbance of indigenous flora are prohibited.

j) Protection of the fauna

- a) The *Contractor* shall protect fauna living within the site and shall ensure that hunting, snaring, poisoning, shooting, nest raiding, or egg-collecting and disturbance does not occur.
- b) The *Contractor* is to ensure that his employees are instructed not to feed wild animals.
- c) The use of pesticides is prohibited unless accepted by the *Service Manager*.
- d) No domestic pets or livestock are permitted on site.
- e) The *Contractor* must adhere to speed limits and other site rules to protect local flora and fauna.
- f) The *Contractor* shall ensure that all vehicles operate within the designated speed limits on Eskom premises at all times, in order to promote safety, reduce the risk of accidents, and prevent road kills involving wildlife or site fauna

k) Dust

- a) A dust control programme shall be implemented by the *Contractor* to maintain a safe and healthy working environment/.
- b) The *Contractor* shall act appropriately to minimise the generation of dust resulting from his works operations and activities.
- c) The *Contractor* shall prepare and submit a Dust Control Method Statement to the *Supervisor* within 14 days after the Starting Date.

4.5 Quality assurance requirements

- 1) The supplier shall complete and sign Form A (Enquiry/Contract/Quality Requirements for Supplier Quality Management Specification 240-105658000/ QM 58 and ISO 9001).
- 2) The supplier shall submit objective evidence of a developed, implemented and maintained QMS that complies with ISO 9001 or any applicable standard of quality management system (the latest applicable revision). The following documents (approved/ signed copies) shall be submitted:

- a) Quality Management System manual or a documented information that have defines and describes the QMS and its scope.
- b) Quality Policy, aligned with the supplier's strategic direction (documented information).
- c) Quality Objectives (documented information).
- d) Control of documented information (both maintain and retain documented information).
- e) Internal audit procedure (documented information).
- f) Control of nonconforming outputs (documented information).
- g) Nonconformity and Corrective action procedure (documented information).

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

- a) The supplier shall submit the latest copy of the management system internal audit reports. The audit reports must include, if applicable, nonconformity identified, and the resulting remedial actions (correction and/ or corrective action reports).
- b) The supplier shall submit a draft contract quality plan that is specific to the scope of work as described in the tender documents. The plan must address the minimum requirements as per ISO 10005.
- c) Where applicable; the supplier shall submit an example of inspection and test plan (ITP) or quality control plan (QCP) on similar or previous work done.
- d) The supplier shall submit documented information for Control of Externally Provided Processes, Products and Services.
- e) The supplier shall submit a copy of documented information for roles, responsibilities and authorities in relation to the QMS. Examples of relevant documented information are; organization charts, job descriptions, work instructions, duty statements, manuals, procedures.
- f) The supplier shall submit documented information retained (records) of management review meetings that include agenda, meeting minutes, attendance registers, reports, presentations, etc.

Note: specific requirements per tender will be selected using the List of Tender Returnable document (240-12248652).

4.6 Category 3: Quality requirements

- 1) The supplier shall complete and sign **Form A** (Enquiry/Contract/Quality Requirements for Supplier Quality Management Specification 240-105658000/ QM 58 and ISO 9001).
- 2) The supplier shall submit objective evidence of a developed QMS that complies with ISO 9001 (or the latest applicable revision). The following documented information (approved/ signed copies) shall be submitted:
 - a. Quality management system manual or a (documented information) that have defines and describes the QMS and its scope.
 - b. Quality Policy, aligned with the supplier's strategic direction (documented information).
 - c. Quality Objectives (documented information).
 - d. Control of documented information (both maintain and retain documented information).
 - e. Internal audit procedure (documented information).
 - f. Control of nonconforming outputs (documented information).
 - g. Nonconformity and Corrective action procedure (documented information).
 - h. The QMS should drive all the supplier's business management processes to ensure that all of Eskom's requirements are fully met on a consistent basis.
- 3) The supplier shall submit a draft contract quality plan that is specific to the scope of work as described in the tender documents. The plan must address the minimum requirements as per ISO 10005.
- 4) Where applicable; the supplier shall submit an example inspection and test plan (ITP) or quality control plan (QCP).

- 5) The supplier shall submit documented information for Control of Externally Provided Processes, Products and Services.
- 6) The supplier shall submit a copy of documented information for roles, responsibilities and authorities in relation to the QMS. Examples of relevant documented information are; organization charts, job descriptions, work instructions, duty statements, manuals, procedures.

NB: specific requirements per tender will be selected using the List of Tender Returnables document (240-12248652).

4.7 Category 4: Quality requirements

- 1) The supplier shall complete and sign **Form A** (Enquiry/Contract/Quality Requirements for Supplier Quality Management Specification 240-105658000/ QM 58 and ISO 9001).
- 2) The supplier shall submit a quality method statement based on ISO 9001 and specific to the scope of work.
- 3) The quality method statement should address all the supplier's business management processes to ensure that all of Eskom's requirements are fully met on a consistent basis.
- 4) The supplier shall submit a signed/ approved quality policy (aligned with the supplier's strategic direction). (documented information)
- 5) The supplier shall submit a copy of quality objectives. (documented information)
- 6) The supplier shall submit documented information for Control of Externally Provided Processes, Products and Services.
- 7) The supplier shall submit a copy of the documented information for roles, responsibilities and authorities, specific to the project/ scope of work/ technical requirements. Examples of relevant documented information are; organization charts, job descriptions, work instructions, duty statements, manuals, procedures.

Note: specific requirements per tender will be selected using the List of Tender Returnables document (240-12248652).

5 Procurement

5.1 People

The *Contractor* provides suitably qualified, competent and experienced people to Provide the Service.

The *Contractor* maintains an updated contract organogram, including key personnel and 24-hour emergency contact details, and notifies the *Service Manager* of any changes. Qualifications and competencies of key people are provided and may be verified by the *Service Manager*.

The *Contractor* complies with the applicable B-BBEE and the SDL&I requirements contained in the SDL&I Strategy Setting Template for Bidders – Corrosion Protection Services on an “As and When Required” Basis for Various Peaking Power Stations, Document Identifier 240-6860265 Rev 1 including the commitments made by the Contractor during the tender process.

The SDL&I Strategy Setting Template and the *Contractor’s* accepted SDL&I commitments form part of the Service Information and are applicable for the duration of the contract.

The *Contractor* submits the required SDL&I Implementation Schedule and all subsequent SDL&I reports to the *Employer* in accordance with the requirements of the referenced SDL&I document.

5.2 Subcontracting

There are no preferred Subcontractors.

Where subcontracting is required, the *Contractor* remains responsible for the performance and management of its Subcontractors and ensures that they comply with the applicable requirements of this contract.

The *Contractor* does not subcontract more than 20% of the work and supervision of the Service is not subcontracted.

5.3 Plant and Materials

Plant and Materials provided by the *Contractor* comply with this Service Information, Engineering Scope 167A/20899, applicable Eskom standards, manufacturer’s specifications and applicable corrosion protection standards.

The *Contractor* submits applicable product specifications, Material/Safety Data Sheets and supporting technical documentation for acceptance before use.

Where Plant and Materials are procured on an agreed mark-up basis, the *Contractor* submits the supplier quotation/invoice or other acceptable proof of purchase to the *Service Manager*. Applicable supplier warranties are provided in favour of the *Employer* where required.

The *Contractor* notifies the *Service Manager* at least three days before delivery and complies with the delivery and site-access requirements stated in this Service Information.

6 Working on the affected property

6.1 Site Entry, Security and Permits

The *Contractor* and its Subcontractors comply with the *Employer's* access control, security, permit and site requirements.

Original identification or passport is presented when required. All personnel undergo the required site access processes, including the alcohol Breathalyser test. Persons who do not satisfy the *Employer's* access or security requirements may be denied access.

All activities on plant are preceded by the applicable task risk assessment, which is maintained as a current/live document.

6.2 Hours of work and conduct

Normal site access is 07h00–16h15 Monday to Thursday and 07h00–12h00 on Fridays, excluding public holidays. Different working hours may apply during outages as determined by the relevant station requirements.

The *Contractor* complies with all site rules, Life-Saving Rules, traffic requirements and designated parking arrangements. Any damage caused by the *Contractor* to the *Employer's* plant or property is for the *Contractor's* account.

6.3 Contractor's Equipment

Before commencing the Service on site, the *Contractor* provides the *Service Manager* with a list of Equipment and tools intended for use.

The *Contractor* maintains an asset register of its Equipment and tools and makes the records available for inspection by the *Employer*.

6.4 Equipment Provided by the Employer

None, unless otherwise stated in the applicable Task Order.

6.5 Site Services and Facilities

The *Employer* provides access to available:

- ablution facilities;
- eating amenities; and
- first-aid facilities.

The *Contractor* provides all other services, facilities and resources necessary to Provide the Service.

6.6 Protection of the Affected Property

The *Contractor* protects the *Employer's* existing plant, equipment, structures and facilities while Providing the Service.

The *Contractor* controls noise, dust, water, waste, chemicals, coatings and other substances generated or used during the Service and complies with the environmental requirements stated elsewhere in this Service Information.

The *Contractor* does not make any connection, alteration or interference with existing plant, services or utilities without the prior acceptance of the *Service Manager*.

The *Contractor* controls noise, dust, water, waste, chemicals, coatings and other substances generated or used during the Service and complies with the environmental requirements stated elsewhere in this Service Information.

The *Contractor* does not make any connection, alteration or interference with existing plant, services or utilities without the prior acceptance of the *Service Manager*.

6.7 Cooperation with Others

The *Contractor* cooperates with the *Employer*, other contractors and Others working on the Affected Property and coordinates its activities so that the Service does not unnecessarily interfere with station operations or the work of Others.

I think this is enough for this section. I would not repeat all the environmental controls, fauna/flora, chemical handling and detailed H&S requirements here, because we already have those under the dedicated H&S and Environmental sections. Your current contract repeats quite a lot of that information.