



1. SCOPE OF WORK

- 1.1 PetroSA requires the transportation of various products from its (Loading Points) to its various destinations and wishes to enter into a fixed contract with the Contractor/s. The transportation service must be carried out as per PetroSA HSE requirements as per Annexure B.
- 1.2 No services shall be performed without a Purchase Order issued by PetroSA Group Supply Chain Department. No invoice will be paid without the corresponding Purchase Order number appearing on the invoice.

2. TRANSPORT REQUIREMENTS

- 2.1 The Contractor is required to provide a 24-hour service, 7 days a week, as and when required. PetroSA shall provide the Contractor with 48-hour notice in which to commence the provision of the service. Sufficient back-up or contingency plans must be made so as not to disrupt service in the case of breakdowns or maintenance.
- 2.2 In the event that the Supplier is unable to meet the above service level for whatever reason, PetroSA reserves the right to contract a 3rd party to provide the service and any additional costs of such a service will be recovered from the Supplier. Penalties for non-delivery imposed on PetroSA by Customers shall be recovered from the Supplier and PetroSA reserves the right to set-off such amounts from monies owed to the Supplier. Refer Clause 13, Global Transport.

2.3 VEHICLE REQUIREMENTS

- 2.3.1 The vehicle is fit for the purpose, and has a planned service and preventative maintenance schedule. The vehicle must be in a legal and roadworthy condition at all times. Individual fleet files must be maintained on the operating site.
- 2.3.2 Operate all vehicles in accordance with the operational requirements in accordance with SANS standards at all times for loading, offloading and transport of hazardous goods and obeying South African traffic regulations;
- 2.3.3 The vehicles and trailers must have the safe loading pass certification;
- 2.3.4 Loads do not exceed manufacturer's specification and legal limits for the vehicle;
- 2.3.5 Loads do not exceed manufacturer's specification and legal limits for the vehicle;

2.3.6 All vehicles must be fitted with a fully functional tachograph. A tachograph management system must be in place, clearly demonstrating correct tachograph analysis, and corrective actions recorded;

2.3.7 Vehicles must be fitted with fully functional satellite tracking devices.

2.4 DRIVER REQUIREMENTS

2.4.1 They are appropriately assessed, licensed, trained, and medically fit to operate the vehicle;

2.4.2 They are appropriately rested and alert;

2.4.3 Ensure that cellular telephones are not to be used in demarcated areas around the loading gantry, return areas at the Loading Point and within 15 metres of the Offloading points and tank connections at the Offloading Point.

2.4.4 Adherence to road regulations whilst transporting hazardous materials;

2.4.5 They are not under the influence of alcohol or drugs, or any other substance or medication that could impair their ability to drive.

2.5 OPERATIONAL REQUIREMENTS

2.5.1 Details of the fleet which you propose to use, vehicle size, registration, age and capacity should be given (table format).

2.5.2 The contractor has responsibility for carrying out regular inspections plus preventative maintenance and inspection of all vehicles. Please supply full details of how and where this maintenance will be carried out and by whom.

2.5.3 What contingency do you have for dealing with vehicle breakdowns?

2.5.4 Give the address of where you propose to base your vehicles.

2.5.5 Supply full details of your Health and Safety policy.

2.5.6 Submit details of your Emergency Response procedures and infrastructure.

2.5.7 Supply details of all training given to drivers, including a list of all protective clothing issued to drivers.

2.5.8 Supply details of the organisational structure supporting the proposed operation, including job title, key responsibilities and location.

2.5.9 Provide a “method statement” of how you will run the day to day operation, indicating the degree of flexibility you have to cope with any changes PetroSA may wish to make.

2.5.10 Indicate any relevant experience that your company has carried out any similar work and how this new business would fit in with your existing portfolio.

- 2.5.11 Submit comprehensive details of your driver recruitment policy (e.g. initial driving test, accident history etc.).
- 2.5.12 Provide details of your incident communications procedures for drivers involved in accidents etc (incidents tracking and near miss).
- 2.5.13 Present any further initiatives you feel relevant to the contract.
- 2.5.14 PetroSA wants proof of the last valid SHEQ transport audit completed by any of the other oil companies within the last 12 months.

3. TOTAL QUALITY ASSURANCE

- 3.1 The Contractor acknowledges PetroSA policy of Total Quality Management and mutual commitment to continuous/efficiency improvement. The Contractor will adhere to the HSE requirements as set out in Annexure "B".
- 3.2 The Contractor shall attend, on request, operational review and performance assessment meetings with PetroSA.
- 3.3 In addition, at Contract Review Meetings with PetroSA the Contractor will be required to demonstrate continuous improvement/efficiency objectives, incorporating mutually agreed target setting.

4. PERFORMANCE

- 4.1 The Contractor shall execute the requirements of the contract with all proper skill and care in accordance with good practice and in compliance with all relevant laws and regulations.
- 4.2 The Contractor's performance against the requirements and conditions of the contract will be continuously monitored. Should problems arise or improvements required, PetroSA and the Contractor both undertake to take all reasonable actions to rectify such problems and implement appropriate and effective improvements.
- 4.3 Both the Contractor and PetroSA representatives will meet to review operations as well as PetroSA requirements as and when any of the parties so requests.

5. REPORTING

5.1 The Contractor will have to provide the following reports per voyage:

- Monthly delivery on time figures;
- Monthly number of deliveries;
- Monthly distance travelled;
- Monthly volumes moved;
- No. of Spills;
- No. of Inaccurate Documents; and
- No. of In transit Losses

6. PRICING

6.1 SCHEDULE OF RATES

6.1.1 Compensation to The Contractor for the full and complete performance of the Work and compliance with all the terms and conditions of the Agreement shall be in accordance with the Rates below:

6.1.2 The rates are not conditional upon any predetermined minimum order quantities or monthly off-takes

6.1.3 The rates are cents per litre (cpl) (inclusive of fixed, variable costs and emergency request).

Z1: CAPE TOWN				
	ESTIMATED MONTHLY VOLUMES		RATES	
Power Station/Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Palmiet (Eskom Site)	11,500			
Koeberg (Eskom Site)	166,000	10,000		
Ankerlig (Eskom Site)	10,000,000			

Z2: ALBERTON				
	ESTIMATED MONTHLY VOLUMES		RATES	
Power Station/Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Arnot (Eskom Site)	120,000	500		
Hendrina (Eskom Site)	100,000	26,000		
Camden (Eskom Site)	120,000	500		
Duvha (Eskom Site)	130,000	18,000		
Medupi (Eskom Site)	350,000	1,000		
Kendal (Eskom Site)	204,000	24,000		
Komati (Eskom Site)	70,000	10,000		

Secunda (Eskom Site)	240,000	0		
Kusile (Eskom Site)	120,000	5,000		
Grootvlei (Eskom Site)	80,000	10,000		
Lethabo (Eskom Site)	80,000	18,000		
Kriel (Eskom Site)	120,000	15,000		
Matla (Eskom Site)	150,000	18,000		
Tutuka (Eskom Site)	240,000	5,000		
Matimba (Eskom Site)	200,000	0		
Turbo Gen (Eskom Site)	5,000			
Tzaneen (PetroSA depot)	600,000	1,000,000		

Note: Bridging pricing to depots based on sealed parcel deliveries

Z3: DURBAN				
	ESTIMATED MONTHLY VOLUMES		RATES	
Power Station/Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Majuba (Eskom Site)	350,000	1,000		
Drakensburg (Eskom Site)	2,500			
Ingula (Eskom Site)	20,000			
Bloemfontein (PetroSA depot)	1,500,000	1,500,000		
Mbizana (IEC Site)	40,000	50,000		

Note: Bridging pricing to depots based on sealed parcel deliveries

Deliveries to the IeC are co-loading and tenderer should state minimum volumes

Z4: EAST LONDON				
	ESTIMATED MONTHLY VOLUMES		RATES	
Power Station/Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Port Rex (Eskom Site)	40,000			
Qamata (IEC Site)	40,000	30,000		

Note: Deliveries to the IeC are co-loading and tenderer should state minimum volumes

Z5: MOSSEL BAY REFINERY				
	ESTIMATED MONTHLY VOLUMES		RATES	
Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Mossel Bay (PetroSA own use)	200,000	40,000		

Z6:KROONSTAD				
	ESTIMATED MONTHLY VOLUMES		RATES	
Power Station/Site Name	DIESEL	MOGAS	RATE CPL DIESEL	RATE CPL MOGAS
Bloemfontein (PetroSA depot)		1,000,000		

Note: Bridging pricing to depots based on sealed parcel deliveries

AD HOC DELIVERIES:

Note: All metered deliveries

No.	Round Trip Kilometers	Diesel Cent Per Litre @ 38000 min	Petrol Cents Per Litre @ 38000 min
1	25		
2	50		
3	75		
4	100		
5	125		
6	150		
7	175		
8	200		
9	225		
10	250		
11	275		
12	300		
13	325		
14	350		
15	375		
16	400		
17	425		
18	450		
19	475		
20	500		
21	525		
22	550		
23	575		
24	600		
25	625		
26	650		
27	675		
28	700		
29	725		
30	750		
31	775		

32	800		
33	825		
34	850		
35	875		
36	900		
37	925		
38	950		
39	975		
40	1,000		
41	1,025		
42	1,050		
43	1,075		
44	1,100		
45	1,125		
46	1,150		
47	1,175		
48	1,200		

In the event there is an adjustment in price, which adjustment could involve either an increase or decrease in excess of 3% in the diesel (Fuel) component of the price adjustment formula; such adjustment shall be agreed upon on the 1st working day of the new quarter and associated price adjustment implemented accordingly. Where variations are less than 3%, the prevailing price will be maintained.

The annual statutory increment in terms of salary adjustments shall affect only that component of the price adjustment formula. Such increases will be effective from the 1st of the new quarter when any adjustments will be considered.

The Maintenance and tyre component of the price adjustment formula will increase annually on the anniversary of the agreement in line with CPI as published on www.statssa.gov.za

The aforementioned adjustment shall be given effect in the price adjustment formula detailed below:

$$TP = (R \times \text{Fuel } \%) + (R \times \text{Labour } \%) + (R \times \text{Maintenance } \%) + (R \times \text{Tyre } \%)$$

Where

- TP = Total Price (cpl)
- R = Prevailing Rate
- FUEL = %
- LABOUR = %
- MAINTENANCE = %
- TYRES = %

Rate of diesel shall be the rate applicable from time-to-time as published by www.energy.gov.za

6.1.4 All invoices must be supported by weighbridge tickets, duly authorised proof of delivery or other relevant documents and payment certificates, duly certified by the respective representatives of the parties.

7. VAT

All rates are exclusive of VAT. VAT at the rate applicable at the time of performing the relevant service is to be added to the total net amount shown on the tax invoice.

8. TERMS OF PAYMENT

8.1 Original invoices and monthly statements are to be sent to:

Attention: Creditors Department
PetroSA
Private Bag X5
PAROW
7499

8.2 By the end of a calendar month following the date of delivery. Invoices shall only be considered for payment when accompanied by originals of the supporting documentation signed by the authorised PetroSA representative and the invoice has been approved for payment.

PetroSA Purchase order number/s and contract number must be quoted on the invoice.

PetroSA VAT No. 4320103502 must be stated on the invoice.

8.3 Copy invoices may be sent directly to the Contract Administrator or other PetroSA representative in order to expedite approval.

8.4 Payment will be made on the 25th day of the following month.

9. TAXES

9.1 All amounts payable in terms of this Agreement, exclude VAT but are inclusive of all other costs, and no contributions, levies, imports, duties or the like shall be payable by PetroSA.