

PART C2: PRICING DATA

NEC3 Supply Contract

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C2.1 Pricing assumptions

1. The *conditions of contract*

1.1. How *goods* and *services* are priced and assessed for payment

Clause 11 in NEC3 Supply Contract, December 2009 (SC)(with amendments April 2013) core clauses states:

Identified and defined terms	11	
	11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate.
		(12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.
Assessing the amount due	50.2	The amount due is
		- the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed, - where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate, - plus other amounts to be paid to the <i>Supplier</i>, - less amounts to be paid by or retained from the <i>Supplier</i>.
		Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.

This confirms that the Supply Contract is a priced contract where the Prices are derived from a list of items of *goods* and *services* which can be priced as lump sums or as expected quantities of *goods* and *services* multiplied by a rate, or a mix of both.

1.2. Function of the Price Schedule

Clause 53.1 states: "Information in the Price Schedule is not Goods Information". This confirms that instructions to do work or how it is to be done are not included in the Price Schedule but in the Goods Information. This is further confirmed by Clause 20.1 which states, "The *Supplier* Provides the Goods and Services in accordance with the Goods Information". Hence the *Supplier* does **not** Provide the Goods and Services in accordance with the Price Schedule. The Price Schedule is only a pricing document.

1.3. Preparing the *price schedule*

It will be assumed that the tendering supplier has read Pages 11 and 12 and Appendix 5 of the SC Guidance Notes before preparing the *price schedule*. Items in the *price schedule* may have been inserted by the *Purchaser* and the tendering supplier should insert any additional items which he considers necessary. Whichever party provides the items in the *price schedule* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Goods and Services as described at the time of

entering into this contract.

1 As the *Supplier* has an obligation to correct Defects (core clause 43.1) and there is no compensation event for this unless the Defect was due to a *Supplier's* risk, the lump sum Prices and rates must also include for the correction of Defects.

2 If the *Supplier* has decided not to identify a particular item in the *price schedule* at the time of tender the cost to the *Supplier* of doing the work is assumed to be included in, or spread across, the other Prices and rates in the *price schedule* in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices.

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

4 Hence the Prices and rates tendered by the *Supplier* in the *price schedule* are inclusive of everything necessary and incidental to Providing the Goods and Services in accordance with the Goods Information, as it was at the time of tender, as well as correct any Defects not caused by a *Purchaser's* risk.

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

1.4. Format of the *price schedule*

(From Appendix 5 on page 78 of the SC Guidance Notes)

Entries in the first four columns in the *price schedule* in section C2.2 are made either by the *Purchaser* or the tendering supplier.

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

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

If the *Supplier* is to be paid an amount for an item proportional to the length of time for which the *goods* and *services* are provided, a unit of time is stated in the Unit column and the length of time (as a quantity of the stated units of time) is stated in the Quantity column.

Transnet Port Terminals

Contract Number: iCLM 612 /TPT

Description of the Works: THE SUPPLY AND DELIVERY OF CRITICAL SPARES (TRANSFORMERS CABLES WORK PACKAGE) FOR TRANSNET SOC LTD (REG.NO.1990/000900/30) OPERATING AS TRANSNET PORT TERMINALS, (HEREINAFTER REFERRED TO AS "TPT") AT THE PORT OF RICHARDS BAY, AS A ONCE OFF SUPPLY



C2.2 Pricing Schedule

Mandatory Returnable

The price reflected below must be **fixed and firm**. Failure to provide a fixed and firm price will declare the tender non responsive.

The price must be based on DDP (Incoterm 2010) and must be in Rands.

The price tendered must be for the full scope and include all requirements.

Item	Description	QTY	Unit Price	Total
A	Supply and delivery of High Voltage Transformers Transnet Port Terminals, Port of Richards Bay as per the specifications and supporting document supplied with Goods Information			
1	11kv Auto Transformer	1		
2	11KV -110Vac Voltage transformer	2		
3	3.3KV -110Vac Voltage Transformer	2		
4	11KV -3.3KV Transformer	2		
5	11KV - 400V Transformer	2		
			Total	

Total Price to be carried over to the Form of Offer & Acceptance C1.1