



NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC LIMITED**
(Reg No. 2002/015527/06)

and

For **PJFF AND SMOKESTACK Maintenance scope of work on a
fulltime basis” for a period of Five (5) years**

Contents:	No of pages
Part C1 Agreements & Contract Data	2
Part C2 Pricing Data	
Part C3 Scope of Work	20

CONTRACT No.

PART C1: AGREEMENTS & CONTRACT DATA

Contents:

**No of
pages**

C1.1 Form of Offer and Acceptance

C1.2a Contract Data provided by the *Employer*

C1.2b Contract Data provided by the *Contractor*

C1.1 Form of Offer & Acceptance

Offer

Title of the Contract:

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Options A	The offered total of the Prices exclusive of VAT is	
	Value Added Tax @ 15% is	
	The offered total of the amount due inclusive of VAT is ¹	

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 original copy of this document, including the Schedule of Deviations (if any).

Signature(s)			
Name(s)	Bongumusa A. Mashazi		
Capacity	General Manager		
for the Employer	Eskom Holdings SOC Limited Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank		
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

No.	Subject	Details
1	N/A	

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.

	(i) For the tenderer:	(ii) For the Employer
Signature		
Name		Bongumusa A. Mashazi
Capacity		General Manager
On behalf of		Eskom Holdings SOC Limited Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	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	
		X 1: Price adjustment for inflation
		X 2: Changes in the law
		X13: Performance Bonds
		X 17: Low service damages
		X 18: Limitation of liability
		X 19: Task Order
		Z : Additional conditions of contract
	of the NEC3 Term Service Contract (June 2005) ²	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Limited (Reg No: 2002/015527/06), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	+27 11 800 8111
	Fax No.	
10.1	The <i>Service Manager</i> is (name):	Given Rikhotso
	Address	Kusile Power Station R545 Kendal/Balmoral Rd Haartebeesfontein Farm Witbank
	Tel	+27 13 680 3077
	e-mail	Rikhotg@eskom.co.za
11.2(2)	The Affected Property is	Kusile Power Station

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

11.2(13)	The service is for the Maintenance of PJFF and smokestack in Kusile Power Station	
11.2(14)	The following matters will be included in the Risk Register	<ol style="list-style-type: none"> 1. Community unrest around Kusile site 2. Breakdown of contractor testing equipment 3. Risk Identification and assessment meeting to be held after contract award and risk register compiled and managed 4. Availability of plant to be maintained due to production need 5. Environmental spillages 6. Burning of bags due to spark or fire
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it refers
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	24 hours
Section 1.02	Section 1.03 The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	One week of the Contract Date
Section 1.04	Section 1.05 Time	Section 1.06
30.1	The <i>starting date</i> is.	01 July 2023
30.1	The <i>service period</i> is	5 years
Section 1.07	Section 1.08 Testing and defects	Section 1.09 No data is required for this section of the <i>conditions of contract</i>.
Section 1.10	Section 1.11 Payment	Section 1.12
50.1	The <i>assessment interval</i> is	25th day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	Four weeks after invoice submitted and processed.
51.4	The <i>interest rate</i> is	<p>(i) zero percent above the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and</p> <p>(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</p>

		<p>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.</p>	
6	Compensation events		
	These are additional compensation events:		<p>Any work or task undertaken outside the agreed scope of work Any work or task undertaken outside the agreed price list</p>
7	Use of Equipment Plant and Materials	<p>Contractor to provide their own equipment and workshop</p>	
8	Risks and insurance		
80.1	These are additional <i>Employer's</i> risks	<ul style="list-style-type: none"> • Lack of repair facilities from the employer • Poor network signal onsite • Poor response time by the employer due to meetings • PSR training not always available from the employer • Availability of plant to be maintained due to production • Environmental spillage in a form of dust • Lack of lifting equipment 	
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	<p>as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance).</p>	
83.1	The <i>Employer</i> provides these additional insurances	<p>as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)</p>	
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the	<p>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on</p>	

	<i>Employer's property is</i>	http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	
83.1	The minimum amount of cover for insurance in respect of 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 for any one event is:	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>
83.1	The minimum limit of indemnity for insurance in respect of 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 for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
9	Termination	There is no Contract Data required for this section of the <i>conditions of contract</i>.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	Four weeks / one months
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is (Name)	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	South Africa
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	The Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

12 Data for secondary Option clauses													
X1	Contract Price Adjustment (CPA)												
X1.1	The <i>base date</i> for indices is one month prior the tender date. The price will be fixed for the first year and subject to escalation after end of the first year												
	The proportions used to calculate the Price Adjustment Factor are:												
	<table border="1"> <thead> <tr> <th>Proportion</th> <th>Linked to index</th> <th>Index Prepared by</th> </tr> </thead> <tbody> <tr> <td>75%</td> <td>Labour</td> <td>SIEFSA C3</td> </tr> <tr> <td>10%</td> <td>Transport</td> <td>SIEFSA L2a</td> </tr> <tr> <td>15%</td> <td>Fixed portion</td> <td></td> </tr> </tbody> </table>	Proportion	Linked to index	Index Prepared by	75%	Labour	SIEFSA C3	10%	Transport	SIEFSA L2a	15%	Fixed portion	
Proportion	Linked to index	Index Prepared by											
75%	Labour	SIEFSA C3											
10%	Transport	SIEFSA L2a											
15%	Fixed portion												
	<table border="1"> <thead> <tr> <th>Proportion %</th> <th>linked to index for</th> <th>Index prepared by SEIFSA or any applicable index</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Proportion %	linked to index for	Index prepared by SEIFSA or any applicable index									
Proportion %	linked to index for	Index prepared by SEIFSA or any applicable index											
X 2	Change in Law												
X13	Performance bond												
X13.1	The amount of the performance bond is												
	1% of the Contract Price												
X17	Low service damages												
	See page for low services damage index												
X17.1	The <i>service level table</i> is in												
	The attached set of KPA's will be utilised to measure performance bonds monthly												
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to												
	<p>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</p>												
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to												
	<p>The greater of</p> <ul style="list-style-type: none"> the total of the Prices at the Contract Date and the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/live/content.php?Item_ID=9248 												
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to												
	<p>The total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p>												

		<p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> • loss of or damage to samples or equipment • death of or injury to a person and • infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	24 hours of receiving the Task Order
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply
Z1	Cession delegation and assignment	
Z1.1	The <i>Contractor</i> does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the <i>Employer</i> .	
Z1.2	Notwithstanding the above, the <i>Employer</i> may on written notice to the <i>Contractor</i> 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 and the Electricity Distribution Industry.	
Z2	Joint ventures	
Z2.1	If the <i>Contractor</i> 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 <i>Employer</i> for the performance of this contract.	
Z2.2	Unless already notified to the <i>Employer</i> , the persons or organisations notify the <i>Service Manager</i> within two weeks of the Contract Date of the key person who has the authority to bind the <i>Contractor</i> on their behalf.	
Z2.3	The <i>Contractor</i> does not substantially alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the <i>Employer</i> having been given to the <i>Contractor</i> in writing.	
Z3	Change of Broad Based Black Economic Empowerment (B-BBEE) status	
Z3.1	Where a change in the <i>Contractor's</i> legal status, ownership or any other change to his business composition or business dealings results in a change to the <i>Contractor's</i> B-BBEE status, the <i>Contractor</i> notifies the <i>Employer</i> within seven days of the change.	
Z3.2	The <i>Contractor</i> is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the <i>Service Manager</i> within thirty days of the notification or as otherwise instructed by the <i>Service Manager</i> .	
Z3.3	Where, as a result, the <i>Contractor's</i> B-BBEE status has decreased since the Contract Date the <i>Employer</i> may either re-negotiate this contract or alternatively, terminate the <i>Contractor's</i> obligation to Provide the Works.	
Z3.4	Failure by the <i>Contractor</i> to notify the <i>Employer</i> of a change in its B-BBEE status may	

	constitute a reason for termination. If the <i>Employer</i> terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.
Z4	Ethics
Z4.1	Any offer, payment, consideration, or benefit of any kind made by the <i>Contractor</i> , which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the <i>Contractor's</i> obligation to Provide the Service or taking any other action as appropriate against the <i>Contractor</i> (including civil or criminal action).
Z4.2	The <i>Employer</i> may terminate the <i>Contractor's</i> obligation to Provide the Service if the <i>Contractor</i> (or any member of the <i>Contractor</i> where the <i>Contractor</i> constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices. Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the <i>Employer</i> or other people or organisations and including in circumstances where the <i>Contractor</i> or any such member is removed from the an approved vendor data base of the <i>Employer</i> as a consequence of such practice.
Z4.3	Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.
Z5	Confidentiality
Z5.1	The <i>Contractor</i> 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 <i>Contractor</i> , enters the public domain or to information which was already in the possession of the <i>Contractor</i> at the time of disclosure (evidenced by written records in existence at that time). Should the <i>Contractor</i> disclose information to Others in terms of clause 25.1, the <i>Contractor</i> ensures that the provisions of this clause are complied with by the recipient.
Z5.2	If the <i>Contractor</i> is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the <i>Service Manager</i> .
Z5.3	In the event that the <i>Contractor</i> is, at any time, required by law to disclose any such information which is required to be kept confidential, the <i>Contractor</i> , to the extent permitted by law prior to disclosure, notifies the <i>Employer</i> 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 <i>Contractor</i> may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
Z5.4	The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the <i>service period</i> , requires the prior written consent of the <i>Service Manager</i> . All rights in and to all such images vests exclusively in the <i>Employer</i> .
Z5.5	The <i>Contractor</i> ensures that all his subcontractors abide by the undertakings in this clause.
Z6	Waiver and estoppel: Add to core clause 12.3:

Z6.1	Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the <i>Service Manager</i> or the <i>Adjudicator</i> does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.
Z7	Health, safety and the environment: Add to core clause 27.4
Z7.1	The <i>Contractor</i> undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the <i>service</i> . Without limitation the <i>Contractor</i> : <ul style="list-style-type: none"> • accepts that the <i>Employer</i> may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2003 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property; • warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the <i>service</i>; and • undertakes, in and about the execution of the <i>service</i>, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z7.2	The <i>Contractor</i> , in and about the execution of the <i>service</i> , 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 <i>Contractor’s</i> direction and control, likewise observe and comply with the foregoing.
Z8	Provision of a Tax Invoice and interest. Add to core clause 51
Z8.1	Within one week of receiving a payment certificate from the <i>Service Manager</i> in terms of core clause 51.1, the <i>Contractor</i> provides the <i>Employer</i> with a tax invoice in accordance with the <i>Employer’s</i> procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
Z8.2	If the <i>Contractor</i> does not provide a tax invoice in the form and by the time required by this contract, the time by when the <i>Employer</i> 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 <i>Employer</i> in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
Z8.3	The <i>Contractor</i> (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 <i>Employer’s</i> VAT number 4740101508 on each invoice he submits for payment.
Z9	Notifying compensation events
Z9.1	Delete from the last sentence in core clause 61.3, “unless the <i>Service Manager</i> should have notified the event to the <i>Contractor</i> but did not”.
Z10	<i>Employer’s</i> limitation of liability
Z10.1	The <i>Employer’s</i> liability to the <i>Contractor</i> for the <i>Contractor’s</i> indirect or consequential loss is limited to R0.00 (zero Rand)

Z10.2	The <i>Contractor's</i> entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the <i>Employer's</i> liability under the indemnity is limited to compensation as provided for under the compensation events stated in this contract.																																																									
Z11	Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":																																																									
Z11.1	<p>Or had a judicial management order granted against it.</p> <p>Z12 Supplier Development & Localization</p> <p>Z12.1 Local and imported Content Declaration.</p> <table border="1" data-bbox="322 862 1402 1086"> <tr> <td>Tender price, excluding VAT (y)</td> <td>R</td> </tr> <tr> <td>Imported content (x) :</td> <td>R</td> </tr> <tr> <td>Stipulated minimum threshold for Local content</td> <td>N/A</td> </tr> <tr> <td>Local content % , as calculated in terms of SATS 1286:</td> <td></td> </tr> </table> <p>Key Performance Indicators will be evaluated on a quarterly basis</p> <table border="1" data-bbox="296 1211 1402 2022"> <thead> <tr> <th>Key performance indicator</th> <th>Source of Evidence</th> <th>Floor =1</th> <th>Kick-in=2</th> <th>Target=3</th> <th>Stretch=4</th> <th>Ceiling=5</th> </tr> </thead> <tbody> <tr> <td>certification to SANS 1475 is maintained on annual basis</td> <td>Submit valid certificate</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Conduct PM's as per schedule and ensure that all defective fire extinguishers are replaced with immediate effect</td> <td>Submit copies of signed PM's to the contract manager for acceptance</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>all defects discovered during the inspection are reported to the fire officer</td> <td>Inspection reports to be submitted to the fire officer</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>adequate number of spares is maintained to ensure constant availability</td> <td>Verification of stock at the warehouse by fire officer</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>all extinguishers removed from Kusile for service are returned within 3-5 working days after removal</td> <td>Verification of asset transfer register</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>monthly report for the work completed is submitted to the contract manager/supervisor on the</td> <td>Monthly report</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Tender price, excluding VAT (y)	R	Imported content (x) :	R	Stipulated minimum threshold for Local content	N/A	Local content % , as calculated in terms of SATS 1286:		Key performance indicator	Source of Evidence	Floor =1	Kick-in=2	Target=3	Stretch=4	Ceiling=5	certification to SANS 1475 is maintained on annual basis	Submit valid certificate						Conduct PM's as per schedule and ensure that all defective fire extinguishers are replaced with immediate effect	Submit copies of signed PM's to the contract manager for acceptance						all defects discovered during the inspection are reported to the fire officer	Inspection reports to be submitted to the fire officer						adequate number of spares is maintained to ensure constant availability	Verification of stock at the warehouse by fire officer						all extinguishers removed from Kusile for service are returned within 3-5 working days after removal	Verification of asset transfer register						monthly report for the work completed is submitted to the contract manager/supervisor on the	Monthly report					
Tender price, excluding VAT (y)	R																																																									
Imported content (x) :	R																																																									
Stipulated minimum threshold for Local content	N/A																																																									
Local content % , as calculated in terms of SATS 1286:																																																										
Key performance indicator	Source of Evidence	Floor =1	Kick-in=2	Target=3	Stretch=4	Ceiling=5																																																				
certification to SANS 1475 is maintained on annual basis	Submit valid certificate																																																									
Conduct PM's as per schedule and ensure that all defective fire extinguishers are replaced with immediate effect	Submit copies of signed PM's to the contract manager for acceptance																																																									
all defects discovered during the inspection are reported to the fire officer	Inspection reports to be submitted to the fire officer																																																									
adequate number of spares is maintained to ensure constant availability	Verification of stock at the warehouse by fire officer																																																									
all extinguishers removed from Kusile for service are returned within 3-5 working days after removal	Verification of asset transfer register																																																									
monthly report for the work completed is submitted to the contract manager/supervisor on the	Monthly report																																																									

	5 th of each month						
	Maintain 85% compliance to SHEQ requirements	OHS Audit report					

1.

Article II. Annexure A: Insurance provided by the Employer

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

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

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

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

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

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

Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Marumo Lekoto on (+27 (0)11 800 5383 or (+27 86 667 4012); E-mail: LekotoMH@eskom.co.za

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name):	
	Tel No.	
	Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	
	The <i>subcontracted fee percentage</i> is	
11.2(14)	The following matters will be included in the Risk Register	<ol style="list-style-type: none"> 1. Community unrest around Kusile site 2. Lack of integration with the current service contractor 3. Performance bonds 4. SHEQ adherence and stats 5. Arising matters
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	C3.1
21.1	The plan identified in the Contract Data is contained in:	n/a
24.1	The key persons are:	
	1 Name:	
	Job:	
	Responsibilities:	
	Qualifications:	
	Experience:	
	2 Name:	
	Job	
	Responsibilities:	
	Qualifications:	
	Experience:	
		CV's (and further key person's data including CVs) are in the Contract data.
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	Rand
11.2(19)	The tendered total of the Prices is:	Price List

Part 2: Pricing Data

TSC3 Option A

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

C2.1 pricing assumptions: Option A

How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		<ul style="list-style-type: none">• the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and• where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

Function of the Price List

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

Link to the *Contractor's* plan

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

Preparing the *price list*

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

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

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

Format of the *price list*

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

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

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

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

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

C2.2 the price list

Item No.	Resource	Unit	Quantities	Proposed Rate	Amount
SITE ESTABLISHMENT					
1	Site Establishment	Once off	1		
PRELIMINARIES AND GENERAL					
2	Safety PPE and Compliance (52 employees)	Year	5		
3	Medical Clearance (52 employees)	Year	5		
4	Cellphone	month	0		
5	Travelling HWH - 22 seater bus (2)	month	60		
6	Travelling HWH - 16 seater bus (1)	month	60		
7	Light driven vehicle (2)	month	60		
8	Accommodation Flat	month	0		
NORMAL TIME DAY (40 hours per week)			505809 hrs		
9	Site Manager (1)	hr	11763		
10	Clerk/Secretary (1)	hr	11763		
11	Planner (1)	hr	11763		
12	Safety Officer (1)	hr	11763		
13	Mechanical Supervisors (3)	hr	35289		
14	Mechanical Fitter (12)	hr	141156		
15	Semi-Skilled Assistant (26)	hr	235260		
16	QC/QA Coordinator (1)	hr	11763		
17	Rigger/Overhead Crane Driver (2)	hr	11763		
18	Boilermaker (1)	hr	11763		
19	Driver (Truck and Forklift) (1)	hr	11763		
NORMAL TIME NIGHT (40 hours per week)			105867 hrs		
20	Semi-Skilled Assistant (6)	hr	94104		
21	Rigger/Overhead Crane Driver (1)	hr	11763		
22	Supervisor (1)	hr	11763		
OVERTIME			94482 hrs		
23	Site Manager (1)	hr	0		
24	Clerk/Secretary (1)	hr	0		
25	Planner (1)	hr	0		
26	Safety Officer (1)	hr	0		
27	Mechanical Supervisors (3)	hr	7700		
28	Mechanical Fitter (12)	hr	25668		
29	Semi-Skilled Assistant (26)	hr	53905		
30	QC/QA Coordinator (1)	hr	0		
31	Rigger/Overhead Crane Driver (1)	hr	5136		

32	Boilermaker (1)	hr	1037		
33	Driver (Truck and Forklift) (1)	hr	1037		
PUBLIC HOLIDAYS / SUNDAYS		81270 hrs			
34	Planner (1)	hr	0		
35	Safety Officer (1)	hr	0		
36	Mechanical Supervisors (3)	hr	1890		
37	Mechanical Fitter (12)	hr	22680		
38	Semi-Skilled Assistant (26)	hr	49140		
39	QC/QA Coordinator (1)	hr	0		
40	Rigger/Overhead Crane Driver (2)	hr	3780		
41	Boilermaker (1)	hr	1890		
42	Driver (Truck and Forklift) (1)	hr	1890		
STANDBY		59283 periods			
43	Mechanical Supervisors (1)	period	2397		
44	Mechanical Fitter (2)	period	4794		
45	Semi-Skilled Assistant (6)	period	52092		
NIGHT SHIFT ALLOWANCE (15% of Rate)		197316 hrs			
46	Semi-Skilled Assistant (6)	hr	175392		
47	Rigger/Overhead Crane Driver (1)	hr	21924		
OPPORTUNITY OUTAGES					
48	Manpower, Safety and travel costs	yearly	5		
TOTAL					
Vat @ 15%					
TOTAL INCLUSIVE OF VAT					

Opportunity Outages

Item No.		Quantities	Time in hrs	Proposed Rate	Amount
1	Safety Officer (1)	1	4500		
2	Mechanical Supervisors (1)	0	4500		
3	Mechanical Fitter (6)	6	4500		
4	Semi-Skilled Assistant (21)	20	4500		
5	Boilermaker (1)	1	4500		
PRELIMINARIES AND GENERAL		Quantities	Time		
1	Safety PPE and Compliance (28 employees)	Year	5		
2	Medical Clearance (28 employees)	Year	5		
4	Travelling HWH - 22 seater bus (1)	month	10		
6	Light driven vehicle (1)	month	10		
	Total				
	Vat @ 15 %				
	Total Inclusive of vat				

PART 3: SCOPE OF WORK

Document reference	Title Kusile Power Station PJFF and Smokestack Maintenance scope of work	No of pages
	This cover page	1
C3.1	<i>Employer's Service Information</i>	3

C3.1: EMPLOYER’S SERVICE INFORMATION

Contents

Part 3: Scope of Work

C3.1: Employer’s service Information.....	5
1 Description of the <i>service</i>	7
1.1 Executive overview	7
1.2 <i>Employer’s</i> requirements for the <i>service</i>	7
1.3 Interpretation and terminology	8
2 Management strategy and start up.....	9
2.1 The <i>Contractor’s</i> plan for the <i>service</i>	9
2.2 Management meetings	9
2.3 <i>Contractor’s</i> management, supervision and key people	10
2.4 Provision of bonds and guarantees	11
2.5 Documentation control.....	11
2.6 Invoicing and payment.....	12
2.7 Contract change management	13
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	13
2.9 Insurance provided by the <i>Employer</i>	13
2.10 Training workshops and technology transfer.....	13
2.11 Design and supply of Equipment.....	13
2.12 Things provided at the end of the <i>service period</i> for the <i>Employer’s</i> use	13
2.12.1 Equipment.....	13
2.12.2 Information and other things.....	13
2.13 Management of work done by Task Order	13
3 Health and safety, the environment and quality assurance.....	14
3.1 Health and safety risk management	14
3.2 Environmental constraints and management	16
3.3 Quality assurance requirements	17
4 Procurement.....	18
4.1 People.....	18
4.1.1 Minimum requirements of people employed.....	18
4.1.2 BBEE and preferencing scheme.....	18
4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)	18
4.2 Subcontracting.....	19
4.2.1 Preferred subcontractors.....	19
4.2.2 Subcontract documentation, and assessment of subcontract tenders.....	19
4.2.3 Limitations on subcontracting.....	19
4.2.4 Attendance on subcontractors.....	19
4.3 Plant and Materials	19
4.3.1 Specifications.....	19
4.3.2 Correction of defects.....	19
4.3.3 <i>Contractor’s</i> procurement of Plant and Materials.....	19
4.3.4 Tests and inspections before delivery.....	20
4.3.5 Plant & Materials provided “free issue” by the <i>Employer</i>	20
4.3.6 Cataloguing requirements.....	20
5 Working on the Affected Property.....	20
5.1 <i>Employer’s</i> site entry and security control, permits, and site regulations.....	20
5.2 People restrictions, hours of work, conduct and records.....	20
5.3 Health and safety facilities on the Affected Property	21
5.4 Environmental controls, fauna & flora.....	21
5.5 Cooperating with and obtaining acceptance of Others.....	21
5.6 Records of <i>Contractor’s</i> Equipment.....	21
5.7 Equipment provided by the <i>Employer</i>	21
5.8 Site services and facilities.....	21

5.8.1	Provided by the <i>Employer</i>	21
5.8.2	Provided by the <i>Contractor</i>	22
5.9	Control of noise, dust, water and waste	22
5.10	Hook ups to existing works	22
5.11	Tests and inspections	22
5.11.1	Description of tests and inspections.....	22
5.11.2	Materials facilities and samples for tests and inspections	22
6	List of drawings	23
6.1	Drawings issued by the <i>Employer</i>	23
6.2	KPA (Key performance Areas	22
6.3	Low Services damages bonds index	23

1 Description of the service

1.1 Executive overview

Kusile Power Station Management has decided to outsource the total PJFF AND SMOKESTACK Maintenance service function to a suitably qualified, experienced, and well-established Contractor. The Contractor shall execute preventative maintenance as described in the scope of work to ensure availability and reliability of the Kusile Power Station plant. This document describes the detail of the applicable plant areas, scope of work, standards, quality, requirements, specifications, terms & conditions as well as the criteria to be met to qualify for the tender.

1.2 Employer's requirements for the service

Specifications

(i) **Applicable Plant Area**

Plant Area	Boundaries of Plant Area
<p>Flue Gas Cleaning</p>	<p>The Flue Gas Cleaning (PJFFP) is defined as the plant and equipment interfacing with flue gas, aux steam and ambient air that exist between the following points.</p> <ul style="list-style-type: none"> -Exhaust outlet expansion joints of the air heaters to the inlet Expansion joints of ID Fan. -As well as the slide gate at the bottom of hopper separating it from Dust handling plant (10HDD11 AA502 to 10HDD41 AA502). <p>It has the following plants within its boundary</p> <ul style="list-style-type: none"> - Attemperation air system - Emergency spray water system - Ventilation System - Pre-coating system - Implosion protection system - Hoppers - Pulsing system

1.2.1 Applicable S.O.W

- a) Inspection, testing, maintenance and replacement of the following;
- Emergency Spray Water system
 - Attemperation Air system

- Pre-coating system
- Ventilation system
- Pulsing system
- Aeration system
- Static gas mixers (Delta-Wing)
- Raw gas cell system
- Clean gas cell system
- Raw gas Channel
- Clean gas Channel
- Implosion protection system
- Inspection doors
- Hoppers (including unblocking)
- Ash discharge system
- Guide plates
- Changing Filter bags and Cages
- Ducting
- Expansion Joint

1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

AEL:	Air Emission License
ID:	Induced Fan
ESWS	Emergency Spray Water System
AAS:	Air Attemperation System
GAH:	Gas Air Heater
PJFFP:	Pulse Jet Fabric Filter Plant
KKS:	Identification System for Power Plants
NEC3:	New Engineering Contract
ORHVS	Operating Regulations for High Voltage Systems
PAS55	Asset Management Standard
PCLF:	Planned Capability Loss Factor
PM:	Plant Maintenance
PSR	Plant Safety Regulations
SAP PM:	SAP Plant Maintenance
SAP:	Systems, Applications, Products (Plant Maintenance, Procurement, Finance and Materials Management) integrated maintenance management system.

SOW:	Scope of Work
TSC:	Term Services Contract
UCF:	Unit Capability Factor
UCLF:	Unplanned Capability Loss Factor

2. Management strategy and start up.

2.1 The Contractor's plan for the service

2.1.1 The Contractor

1. The Contractor shall compile improvement programmes to enhance plant performance and achieve cost reductions and the Employer will approve such programmes.
2. The Contractor shall be responsible for all PJFF and smokestack services as per Employer's instructions, processes, and systems.
3. The Contractor shall be responsible to provide competent personnel for execution of all the activities associated with this SOW.
4. The Contractor shall be responsible for all equipment alignment requirements within this scope of work.
5. The following complementary services to improve Plant and labour performance can be defined as follows.
 - Procedure and documentation writing
 - Compile and improve task lists
 - Implement approved design and modification
 - Technical advice
 - Should the Employer become aware of any changes to the activity schedule (programme of notifications), the Employer may issue the Contractor with a revised programme.
 - The contract entered with the Contractor is non-exclusive and work against this contract can only be performed upon receipt of a task order.
 - All works will be subject to anytime inspection from the Employer.
 - Please note that equipment will only form part of the works once the respective area has been commissioned and handed over to Generation.
 - This is a as and when required contract.
 - The Contractor must ensure that they have Responsible Persons (in terms of PSR and ORHVS) for any work performed on plant.
 - All maintenance technically qualified (above semi-skilled) Contractors shall be trained and authorised (in terms of PSR and ORHVS) within 6 months of the contract start date.
 - The Contractor must ensure that all personnel successfully complete a written examination for the relevant regulation based on the Eskom Fossil Fuel Firing Regulations.
 - The Contractor to provide relevant tools as required.
 - The Contractor shall participate in improvement programs as stipulated by the employer.

2.1.2 Re-commissioning

1. All Plant equipment maintained shall be re-qualified as per site specific procedure after any maintenance intervention.
2. The Contractor shall be responsible or held liable for any defects arising from maintenance/operational faults twenty-four hours after an intervention, provided that the equipment has been placed into service.

2.2 Management meetings

2.2.1 Management and Reporting

1. The type of reports, level of detail and frequency of reporting will be mutually agreed by the Employer and the Contractor during the contract negotiation phase of this agreement. These may change from time to time on request by the Employer.
2. The Contractor to be represented at all production and outage related meeting which may be daily, weekly or monthly.
3. The Contractor to be represented at all Employer safety meetings.
4. The Contractor to be represented at any ad-hoc meetings that may arise in order to address any production or safety related matters.
5. Liaison meetings shall be held with the Employer’s Representative or his/her delegate on a monthly basis to discuss any technical details, or concerns.

2.2.2 Contractor’s management, meetings and key people

- a. Before work starts on site, an inaugural meeting is held with the Contractor and the Employer, to explain in detail all requirements of the Site Regulations.

Regular meetings of a general nature may be convened and chaired by the *Supply Manager* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Monthly basis	Kusile Power station	<i>Site Service and Contract manager</i>
Overall contract progress and feedback	Monthly basis	Kusile Power station	<i>Employer, Contractor, and Employer support functions</i>

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

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

2.3 Contractor’s management, supervision and key people

3.1 Manpower Requirements

1. The number of maintenance staff required to execute the works is to be decided by the Contractor after his/her assessment of the scope of work and submitted to the Employer for approval.
2. The successful Contractor shall utilise/provide skilled and suitably qualified staff with current experience in, but not limited to, the following disciplines.
 - Occupational Health and Safety Act 85 of 1993
 - NEC contract management
 - Quality Management Control and Assurance procedures
 - Procedure writing
 - BOM compilation

- Task list development/review
3. Staff must meet minimum requirements of Eskom job descriptions, with additional requirements specified where applicable.
 4. All staff brought onto site in connection with this work scope should be able to fluently speak, understand, read and write in English.
 5. Proof of Contractor and staff qualifications is to be supplied on request by the Employer.
 6. The Contractor ensures that all staff being brought onto Kusile site have a valid fitness certificate based on the specified plant man-job specification.
 7. Provide daily supervision of all related works through trained and competent personnel to ensure that inspections & work activities are conducted.
 8. The Contractor's shall ensures that only competent persons be allowed to work on plant. The Employer's service Manager is entitled to verify the qualifications of the Contractor.
 9. The Contractor must be knowledgeable about the condition and scope of work contained in this contract and capable of executing the scope of work.
 10. The services manager may, having stated reasons, instruct the Contractor to remove a key person. The contractor then arranges that, after one day, the key person has no further connection with the work included in this contract.
 11. The Contractor may not replace any of the key persons without prior written request and approval thereof from the Service Manager.

2.4 Provision of bonds and guarantees

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

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

2.5 Documentation control

- The Contractor shall compile QCP's and Method Statements and submit to the Employer for review and approval.
 - The Contractor shall ensure that any witness, hold and inspection points are strictly adhered to.
 - The Contractor to ensure that all measuring and test equipment is calibrated at all times & proof there must be readily available.
 - All Quality References and Standards as stipulated in this document will be adhered to.
 - Work will only be conducted with an Employer approved Quality Management Programme.
 - The Contractor shall utilise the Employer's quality documentation management system and processes
- The Contractor implements the following procedures or paperwork over the first month of this Contract:
- Business Organisation Chart
 - Safety procedures
- The following policies, procedures and specifications will be complied by at all times
 - Site Regulations – Kusile site Regulations
 - BIA/RM/STD/01 – Safety, health and environmental requirements to be met by Contractors
 - Hot work procedures
 - All specifications produced via the RCM or Kusile maintenance process

- Eskom Kusile Site transport requirements
- Construction Regulations
- Kusile Maintenance Quality Manual
- Occupational, health and Safety Act
- Eskom Life saving Rules
- BIA/QA/STD/01 – Quality requirements for engineering and construction works
- All Relevant Kusile Power Station standards, policies and procedures
- All quality, health, environmental and safety costs are included in the contract price

2.6 Invoicing and payment

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

Invoices can be submitted using emails to invoiceseskomlocal@eskom.co.za

- Ensure that the Eskom order number is clearly indicated on your invoice together with the line number on the order you are billing for.
- All Electronic invoices must be sent in PDF format only.
- Each PDF file should contain one invoice; or one debit note; or one credit note only as Eskom's SAP system does not support more than one PDF being linked into workflow at a time.
- Your E-mail may contain more than one PDF file (e.g. 2 invoices on 2 separate PDF files in one e-mail)
- For Foreign invoices, suppliers will still be required to physically deliver hard copies of original documents to the respective documentation management centers even though you have e-mailed those invoices
- A PDF file that was created directly from a system meets the definition of original document and is allowed (including saving documents from excel to PDF, word to PDF etc.)
- An Invoice that was printed and then scanned to PDF by the Vendor is not acceptable as this is not an original tax invoice by SARS definition but a copy.
- The following wording needs to appear on the invoice: "Your invoice is encrypted in order to comply with SARS requirements that invoices and statements sent electronically are tamperproof."
- If there is Cost Price Adjustment (CPA) on your invoice we recommend that you issue a separate invoice for CPA so that if there are any issues on the CPA the rest of the invoice can be paid while resolving the CPA issues.
- You do not require a goods receipt (GR) number to submit your invoices. When the GR number is received you can then send the GR number to the FSS contact center at FSS@eskom.co.za or 011 800 5060.
- All queries and follow up on invoice payments should be made by contacting the FSS Contact Centre: Tel: **011 800 5060**

Payment will be made within 30 Days after receipt of an acceptable invoice at the address stated in the order and the acceptance of the goods by Eskom. Payments are made on Friday's only. and include on each invoice the following information:

and include on each invoice the following information:

Name and address of the Contractor and the Service Manager;
The contract number and title;
Contractor's VAT registration number;
The Employer's VAT registration number 4740101508;
Description of service provided for each item invoiced based on the Price List;

Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;

2.7 Contract change management

Any work executed outside the contracted terms and condition shall be approved by the contract manager or the employer prior executing the works through the compensation event terms and condition as stipulated on the NEC Term Service Contract.

Refer to NEC TSC Core clause 6, in the event any change to the Contract needs to be managed

2.8 Records of Defined Cost to be kept by the Contractor

Not applicable since option A of the NEC term service terms contract is in use

2.9 Insurance provided by the Employer

The contractor shall ensure that they provide insurance during their contractual phase with Eskom, the employer does not provide insurance for the service provider or contractor

2.10 Training workshops and technology transfer

The contractor or service provider shall ensure that training requirement as per SD&L is adhered to without any deviations

The contract or service provider shall maintain the quality of competency, skill and knowledge of PJFF AND SMOKESTACK system for their employees through training workshops on a yearly basis and submit such proof to the employer. The contractor shall provide a test bench and ensure that it is calibrated

2.11 Design and supply of Equipment

It is the Parties best interests that some details of the design of Equipment are shared with the Service Manager, not necessarily for his acceptance but as an assurance that the Equipment will be able to allow the Contractor to Provide the Service efficiently and without delay.

The Employer may wish to exercise constraints or include witness and hold points during manufacture, assembly or delivery of equipment to site.

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

2.12.1 Equipment (Not applicable)

- Not applicable

2.12.2 Information and other things

- The contractor shall submit all Quality check documentation
- The contractor shall ensure that the execution procedure data base is created
- The contractor shall ensure that all calibration certificates and related documentation is submitted to the employer during the end of term

2.13 Management of work done by Task Order

Task Orders is already provided in X19 of NEC Term service contract, for example X19.2 specifies what a task Order should include

A Task Order format is provided in an Annexure on the NEC term services contract.

Many considerations can apply to Task Orders, such as availability of resources, arrangements for emergency work, Task Order reporting (work carried out and service results), assessment of additional Prices for service not included in the Price List etc.

Clause X19.6 requires information which should be included on a Task Order programme. Further requirements for Task Orders include things to be provided by the Employer under a Task Order and the conditions under which the Employer or Others are to work.

3.14 Formal Communication

- The *Contractor* must submit all formal correspondence via email.
- The *Contractor* submits all information, requested by *Employer*, via email.
- The *Contractor* responds to correspondence from *Employer* within the period of reply
- In case of an emergency, a call must be made to the assigned *Employer* team, and a follow up must take place via email.

3. Health and safety, the environment and quality assurance

3.1 Health and safety risk management

1. SHEQ specification is Kusile power station's minimum requirements which are required to be met for the specific contract and for the duration of the contract period by contractors and where required, the delivery organisation.
2. The contractor is expected to develop a SHE plan which meets these requirements as well as relevant and other legal and other requirements applicable to the issued scope of work.
3. Kusile power station in no way assumes the contractor's legal responsibilities. The contractor is and remains accountable for the quality and the execution of his/her health and safety programme for his/her employees and appointed contractor employees.
4. This SHE specification reflects minimum requirements and should not be construed as all encompassing.
 - Note 1: All the requirements listed hereunder are in relation to the contract and do not supersede or replace any organizational SHE requirements.
5. Where requirements listed are already in place, then the organisational requirements must be taken cognisance of and listed in the respective SHE plans. If there are any additional Eskom and or legislative requirements listed in the SHE specification, then these must be addressed.
6. Most of the roles and responsibilities listed apply to both appointed contractors and any sub-contractors. Where some of the listed do not apply to both, then the specific responsibilities will be listed and titled. The contractors shall:
 - Carry out all duties as listed in section 8, 9 and 10, the various other regulations that form part of the OHS Act.
 - Carry accountability and responsibility for the safety and health of their employees and their sub-contractors within their working area, as contemplated by section 37(2) of the OHS Act;
7. Shall keep a record of all employees including the sub- contractor employees, including date of induction, relevant skills and licenses and be able to produce this list at the request of the Kusile power station Project Manager.
8. Ensure that all their appointees are made aware of their accountabilities and responsibilities in terms of their appointment and that they advise and assist these appointees in the execution of their duties.

9. Ensure that the minimum legislative, regulatory and Kusile power station SHE requirements are complied with on all work sites.
10. Compile a SHE (health and safety) file where all relevant health and safety records must be kept for each work site.
11. The sub- contractor must hand over a consolidated (to include any sub- contractor's files) health and safety file to the Kusile power station project manager on completion of the project. This is to include all drawings, designs, lists of materials used and other applicable information about the completed project, as well as the list of sub- contractors, the agreement, and the type of work completed.
12. The appointed contractor must provide the project manager with a certified copy of his/her Compensation Commissioner's valid letter of good standing before the commencement of work and any future renewal letters obtained during the project for record-keeping purposes. The letter of good standing shall reflect the name of the contractor's company. The nature of business reflected on the issued Logs must be in line with the issued scope of work. Similarly, the appointed contractor must provide the Kusile power station project manager with all the valid letters of good standing from their sub- contractors.
13. Appoint competent staff to perform the project work and ensure that all employees are trained in the health and safety aspects relating to such work and that the employees understand the hazards associated with all other work being carried out on the project.
14. Ensure that all employees are conversant with all relevant work procedures and that they adhere to such procedures. Similarly (without removing the appointed contractors' responsibilities), ensure that their sub- contractors and their employees are conversant with all relevant work procedures and that they adhere to such procedures.
15. Co-ordinate the activities of all the sub- contractors in the interests of safety and health;
16. Ensure that potential contractors (whom they intend appointing) submitting tenders have made detailed provision for the cost of safety and health measures throughout the project.
17. Stop his /her employees and any sub- contractors if project work is not in accordance with the safety health and environmental plan or if such work poses a threat to the health and safety of persons or a risk of degradation to the environment.
18. Only appoint contractors to do work, if satisfied that the contractor has the necessary competencies and resources to perform the work safely.
19. Appoint full-time competent employees in writing to supervise the performance of all specified work throughout the contract period.
 - Note 2: No work may commence and or continue without the presence of the project manager or project supervisor during performance of the contracted work.
 - Note 3: In determining the number of competent supervisors, the nature and scope of work being performed, shall be taken into consideration.
 - Note 4: If a sufficient number of competent employee(s) have been appointed to assist the works supervisor, the works supervisor may supervise more than one site.
20. Appoint a safety officer full time as per project risk.
21. Not victimise or dismiss employees, by virtue of the employee's divulging health and safety information or suspecting such information has been divulged, in the interests of health and safety requirements.
22. Follow a process of disciplinary action if any of their employees or their sub- contractor employees have transgressed any of the requirements of the health and safety specification, safety and health plans, site rules or any other requirements.
23. Ensure that all appropriate precautions are taken to protect persons (visitors, members of the public, and other contractors) present at work or in the vicinity of a construction site against all risks that may arise from such site.
24. Ensure that pre-task risk assessments are conducted and documented daily and prior to the starting of any new task, irrespective of whether it is a repetitive task or not.
25. Take prime responsibility for all aspects of environmental management associated with the project activity for which they are responsible.
26. Provide any sub- contractor who is making a bid or is sub- to perform work on Kusile power station's behalf, with the relevant sections of the documented Kusile power station's SHE Specification.
27. Principal contractors are required to approve sub- contractor's health and safety plans if they meet all the requirements.
28. Prior to having pre-employment and periodic medicals fitness examinations conducted, person/man job specifications must be compiled and handed to the occupational health practitioner.
29. Ensure that pre-employment, periodic and exit medicals are carried out on their employees. Medical assessments must be conducted by a registered Occupational Health Practitioner. During the pre-

employment medical, where employees will be required to work at heights, they will also be required to undergo the required employee physical and psychological fitness examinations.

- Note 5: should the appointed contractor or his/her sub- contractors entertain visitors on site, they will be held responsible for the provision and wearing PPE.

30. Where performing work with the environment, ensure that minimal damage is done and that where an Environment Management Plan is in place, then adhere to the plan.
31. Must have a substance abuse program which must be in line with the requirements of the OHS Act.
32. Ensure that no alcohol or other intoxicating substances are brought on to or remains on the work sites.
 - Note 6: Kusile power station will not tolerate the presence of anyone who is or who appears to be under the influence of alcohol or any other intoxicating substance whilst performing work for them or on any work site.
33. Ensure that all equipment and tools used comply with OHS Act requirements with respect to condition, use, care, storage, maintenance, and the management of these.
34. Ensure that all incidents are reported and investigated timeously by competent incident investigators.
35. Be involved in all of their sub- contractor's investigations.
36. Establish health and safety committees, hold such committee meetings on all sites, and ensure that sub- contractors participate in their health and safety meetings.
37. Chair their own health and safety committee meetings and record such meetings.
38. Appoint sufficient number of health and safety representatives in terms of legislative requirements and ensure that the sub- contractors appoint health and safety representatives for their work sites.
39. When appointing contractors, advise the project manager in writing timeously and obtain his/her approval prior to them commencing work.
40. Shall keep a record of all employees including the sub- contractor's employees, including date of induction, relevant skills and licenses and be able to produce this list at the request of the Kusile power station Project Manager.

3.1.1 Section 37(2) (Legal) Agreement

- A section 37(2) agreement must be signed between Kusile power station and the appointed contractor at the time of awarding the contract. The appointed contractor must ensure that a section 37(2) agreement is compiled between the appointed contractor and all their sub- contractors for the contract.
- The original copy of the section 37(2) Agreement must be retained by the contractor and a copy retained by the responsible project manager.
- A copy of all the agreements must form part of the respective contractor's SHE file.
- Note: The agreement must be signed by both parties i.e Kusile Power Station (GX) Project Manager and the Appointed Contractor. The authorization shall not be issued to the Appointed contractor without the signed 37(2) document.

3.2 Environmental constraints and management

3.2.1 Environmental Rules

Duty of care and remediation of environmental damage

Every person who causes, has caused or may cause significant pollution or degradation of the environment must take reasonable measures to prevent such pollution or degradation from occurring, continuing or recurring, or, in so far as such harm to the environment is authorized by law or cannot reasonably be avoided or stopped, to minimize and rectify such pollution or degradation of the environment.

3.2.2 Polluter Pay Principle

The costs of remedying pollution, environmental degradation and consequent adverse health effects and of preventing, controlling or minimizing further pollution, environmental damage or adverse health effects must be paid for by those responsible for harming the environment

Zero Liquid Effluent Discharge Policy

All Contractors shall abide to Eskom Zero Liquid Effluent Discharge through the process of reuse and recycling.

Waste

Proper storage and prompt disposal of waste materials, is essential.

3.2.3 Other rules

1. Any hazardous substance to be used should have by Safety Data Sheet (SDS).
2. All spills/emergency incidents should be reported to Eskom Contract Manager and Environmental Officer(s) immediately on occurrence. Incidents should be investigated to prevent reoccurrence.
3. All Contractors should be aware of Eskom SHEQ Policy.
4. All Contractors must take into account environmental consideration when carrying out Risk Assessment.
5. All equipment used on site must be in good working condition and no fuel and/or oil leaks on any plant will be tolerated;
6. Non-conformance and incident reporting and investigations shall be done by the contractor, such reports must include but not limited to the following information:
 - The cause of the non-conformance/incident;
 - The proposed actions to correct and prevent recurrence.
7. Eskom Kusile Power Station shall issue non-conformances where there are deviations from environmental requirements;

3.2.4 Contract Award Documentation

The following documentation should be submitted upon awarding of the contract.

- The Aspects/Impacts register or an environmental management plan;
- Appointment letter of the contractor's environmental or SHE officer who will be responsible for the implementation of the environmental requirements for the contract;
- Environmental Management System Certificate (if certified) if not, an environmental management system manual.
- List of all hazardous substances to be used and their safety data sheets;
- Proof of training (certificates) of persons performing activities that could have significant impact on the environment;

3.2.5 Records to be kept onsite

The following minimum records shall be kept on sites:

- Contractor site specific Environmental Management Plan or aspect and impact register;
- Environmental aspect must be identified, and how they should be mitigated and also be communicated to employees. Proof of communication must be available
- Environmental Incident registers and investigation reports;
- Incident must be reported immediately or within 24 hours of occurrence, investigation must take place within 7 days and concluded with 30 days, lesson learned must be shared with employees. Record of environmental incidents must be made available.
- Non-conformance register;
- When non-conformances are closed, they should be investigated and close-out within the agreed timeframes.
- Complaints register;
- Where complaints are raised they should be reported to Kusile Environmental management Department, be investigated and closed out.
- Hazardous Substances registers and SDS where applicable;
- Where hazardous substances are used, a register should be maintained and all SDS should be available and communicated to employees.
- Records of audit reports and audit findings close-out, where applicable;
- Records of audit and how findings where closed should be maintained.
- Records of environmental inspections conducted.
- Monthly environmental inspection should be conducted and records of inspections should be maintained.

3.3 Quality assurance requirements

1. It is important that all the contractors at Eskom meet the minimum requirements of ISO 9001 quality management system to maintain a high standard of products or services rendered to Eskom.
2. It is therefore important that the contractor demonstrate commitment to the development, implementation and maintenance of its Quality management system that complies with the ISO 9001 requirements.
3. This kind of work falls under category 3 of the quality requirements, the supplier is therefore required to submit the following documents and evidence:
 - Form A completed and signed
 - Objective evidence of documented QMS that is not certified but complies with ISO 9001 requirements.
4. QMS manual or a document that defines and describes the QMS and its Quality method statement based on its scope.
5. Quality policy approved by the top management
6. Documented information for defined roles, responsibilities and authorities.
7. Quality Objectives approved by top management
8. Relevant documented information required by the ISO 9001 standard
9. Documented information for control of nonconformity and corrective action
10. Documented information for internal audit
11. Documented information for control of externally provided processes, product and services.
12. Draft Project quality plan
13. Quality control plan (QCP), Inspection Test plan (ITP) or previous work done

4. Procurement

4.1 People

4.1.1 Minimum requirements of people employed

As per attached technical evaluation criteria issued with the contract tender documentation

4.1.2 BBBEE and preferencing scheme

The company shall maintain or improve upon their current B-BBEE Contribution level for the duration of the contract. The supplier will be required to submit a new B-BBEE certificate within 3 months, should ownership of the company change during the life of the contract.

The Contractor is expected to submit a valid B-BBEE Verification Certificate from a SANAS accredited Verification Agency each year. Failure to submit such a Certificate may be regarded as the breach of the contract by the Employer

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

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the *Contractor's* ASGI-SA Compliance Schedule stated below

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria

The *Contractor's* failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

This works/service is a non-designated sector and therefore no local production threshold is applicable to qualify for further evaluation. Tenderers will also be encouraged to utilise local and local to site resources.

4.2 Subcontracting

4.2.1 Preferred subcontractors

30% subcontracting of the Contract amount to one or more suppliers from the townships and/or rural areas, on the following categories of suppliers:

an EME or QSE which is at least 51% owned by black people living in rural or underdeveloped areas or townships;

4.2.2 Subcontract documentation, and assessment of subcontract tenders

1. Subcontracting agreement (signed by both parties) with subcontractor company registration documents (CK, CSD, B-BBEE certificate or sworn affidavit).
2. Copies of sub-contracting contracts (agreements) or copies of letters from the tenderer to the sub-contractors, stating the intent to sub-contract. Both documents should be signed by the Tenderer and the Sub-contractor(s) earmarked.

4.2.3 Limitations on subcontracting

30% of the scope of work will be subcontracted to the above subcontractor.

4.2.4 Attendance on subcontractors

Not applicable

4.3 Plant and Materials

4.3.1 Specifications

Plant and Materials are defined as items intended to be included in the Affected Property. This refer to replacement of worn or defective parts, routine replacement as part of regular preventative maintenance and supply of spare parts. Quality is usually designed in or specified in the technical specifications

Plant and materials provided by the Contractor and the preventative maintenance thereof will be the responsibility of the Contractor

4.3.2 Correction of defects

The intention of the Contract is preventative maintenance first and foremost however corrective maintenance can be results of the component failure. In the event where plant component have failed, this will be dealt with in accordance with the maintenance strategies and plant maintenance schedule to restore the components to its original state i.e. by repairing and or replacing components. This will be governed by as per core clause 4, testing and defects

4.3.3 Contractor's procurement of Plant and Materials

Replacement materials/components will be kept as the Employer's Inventory/stock and issued as stock items when required. The Contractor must inform the Employer immediately of any

constraints experienced during the procurement process of plant and materials whenever required to procure any materials.

4.3.4 Tests and inspections before delivery

- It is the Contractor's responsibility to ensure the machinery and equipment intended for use on this contract are inspected, tested and certified prior to delivery to site.
- Regular inspections can be carried out by the Employer on an as and when required basis.
- The Contractor and the Employer must maintain communication regarding the test and inspections that must be done, and give feedback on the result obtained. The Contractor must inform the Employer in time for a test or inspection to be arranged and done before doing the work that will obstruct the test or inspection.

4.3.5 Plant & Materials provided "free issue" by the *Employer*

Both parties shall agree if there is any Plant and Material that the Contractor require to execute work. All other Plant and Materials are to be provided by the Contractor.

4.3.6 Cataloguing requirements by the *Contractor*

The service provider may be required to catalogue equipment or spares from time to time with the request from the employer in writing

5. Working on the Affected Property

This The Entry to site is only approved once the following is adhered to:

1. The Contractors Safety file is to be approved by the Employer's Safety department.
2. All personnel must undergo screening for Criminal records and outstanding warrants
3. Site-specific induction is to be done by all personnel.

▪ Permits

1. The Contractor will ensure that he/she is informed of all the requirements of Eskom's Plant Safety Regulations and ORHVS and that he/she at all times comply to the requirements of these Regulations.
2. The Contractor ensures his supervisors are trained and authorised as Authorised Supervisors.
3. Training is provided by Eskom Kusile and is done according to a schedule, thus arrangements need to be made with the Service Manager well in advance.
4. The Contractor will have at least three Responsible Persons as per Plant Safety Regulations.
5. Two supervisors should be authorised within 3 months of contract award.

5.1 People restrictions, hours of work, conduct and records

▪ Time Clocking

- 1 The Contractor uses a biometric time clocking system
- 2 No clocking will result in non-payment. If a person clocked in but not out or did not clock in, but clocked out, the person will not receive payment for that specific day.
- 3 Proof of clocking to be submitted to the Employer from files directly generated from the clocking system (no manual intervention)

▪ **Hours of work**

4. All work will be coordinated by the Employer. Working times can be subject to change, the Employer will inform The Contractor well in advance.
5. A standby roster will be determined by the parties.
6. The Contractor will align his operating shifts to that of the Employer's five shift cycle.

Normal working hours is Eskom working hours:

- a. Monday to Thursday **07:00 - 16:15**
- b. Fridays **07:00 - 12:00 (No lunch break)**

Outage working hours is : Approval to be granted by the employer before working overtime

- c. Monday to Friday **07:00 - 19:00**

7. All Timesheets are to be kept for records purposes i.e. man-hours worked safely etc.
8. Other hours will be determined as per critical path activities during outages/breakdowns.
9. Overtime to be approved by the Service Manager
10. Daily time sheet must be kept up to date of normal and overtime worked at all times.
11. All overtime worked must comply with Eskom rest period requirements

5.2 Health and safety facilities on the Affected Property

There is a medical station on site and a fire and rescue service for assistance with serious incidents and treatment of all serious injuries during normal working hours. Emergency services are available during normal working hours

However, the Contractor is expected to handle all minor incidents in-house by providing a first aider and a first aid kit.

5.3 Environmental controls, fauna & flora

Not applicable to the contract

5.4 Cooperating with and obtaining acceptance of Others

Proper co-ordination and work planning must be done when working in any area where others are performing work or activities. Interfacing may be required with the site maintenance personnel and others.

5.5 Records of Contractor's Equipment

1. The Contractor to declare all equipment and tools via a pre-set up list at the main entrance, where removal permit will be issued by Security personnel.
2. Contractor need to have a list of inventory of their equipment on site.
3. Proof of site entrance needs to be provided before equipment can be removed from

5.6 Equipment provided by the Employer

Equipment provided by the Employer is to be signed out on the tools register and returned in a serviceable condition

5.7 Site services and facilities

5.7.1 Provided by the Employer

The Employer shall provide in the way of power, water, waste disposal, telecomms, ablutions, fire protection and lighting (etc) on the Affected Property. There is also a tuck-shop on site but both only operate on week days and are for the Contractor's own cost.

5.7.2 Provided by the *Contractor*

The Contractor is to supply all the personal protective equipment, transport, accommodation, tools, equipment, and consumables to perform all the required tasks on site including site establishment and de-establishment

5.8 Control of noise, dust, water and waste

Noisy equipment and tools emitting noise more than 105 dB (A) may not be supplied/utilised by the supplier. The contract or supplier shall ensure that his activities does not violate the occupational health and safety act and environmental act

5.9 Hook ups to existing works

Hooking up on heights is a non-negotiable lifesaving rule of Eskom, Kusile Power Station applies Zero Tolerance to non-compliance of the rule or any other lifesaving rule. The same disciplinary process and procedure will be followed when any of the lifesaving rules have been breached.

5.10 Tests and inspections

5.10.1 Description of tests and inspections

The test and inspection to be carried out by the Contractor, the Employer and others will be determined and communicated by the Employer when Contract commenced.

5.10.2 Materials facilities and samples for tests and inspections

The materials facilities and samples for test and inspection to be carried out by the Contractor, the Employer and others will be determined and communicated by the Employer when the Contract commences.

KPA (KEY PERFORMANACE AREAS)

KPA	Weight	No	Performance Measure/Indicator	Metric	Source of Evidence	Weight	1	2	3	4	5
Risk and Assurance (OHS, Quality & Risks)	30.00%	1.1	SHE (Zero Harm)	Number	Station R&A Scorecard	20%	1				5
		1.2	Quality (Rework)	Number	Station R&A Scorecard	20%	1	2	3	4	5
		1.3	Zero Overdue Housekeeping action	Number	Station R&A Scorecard	20%	1				5
		1.4	Zero Environmental legal contravention	Number	Station R&A Scorecard	20%	1				5
		1.5	LTI & Medicals	Rate	OH&S Management Report	20%	1	2	3	4	5
Operational Sustainability	70.00%	2.1	Maintenance Performance Index	%	Maintenance Work KPIs	30%	1	2	3	4	5
		2.2	Improve Planned outage defects execution to 100%	%	RWM Awaiting Plant Report	10%	1	2	3	4	5
		2.3	Meeting planned committed execution time	%	Planning Report	10%	1				5
		2.4	Quality (Zero Rework)	Number	Zero findings	20%	1				5
		2.5	Boiler UCLF	%	Station UCLF index	30%	1	2	3	4	5

Low services damage index

Clauses	Low services damage description	Compliance to employer requirement	Contractor
X17.1.1	PSR authorisation with 2 months	Unavailability of responsible person (RP) after two months of contract kick-off	2.5% of monthly fixed cost of the contractor rate of pay
X17.1.2	PSR authorisation with 3 months	Unavailability of responsible person (RP) after three months of contract kick-off	10% of monthly fixed cost
X17.1.3	Response time to breakdowns	Not complying to the 30 minutes report time to the control room after being notified	1% of monthly fixed cost per incident
X17.1.4	Response time to weekend standby	Not complying to the 45 minutes respond time to site after a callout	1% of monthly fixed cost per incident /call out
X17.1.5	Defect rework	The contractor shall be held responsible and liable for all the defect rework with 5 days of correcting the defect provided the equipment has been placed in service	All-inclusive cost to correct the defect + 2% monthly fixed cost
X17.1.6	Weekly PM compliance	Ensure compliance to Preventative Maintenance work orders per maintenance strategy	2% of monthly fixed cost per month after the monthly report
X17.1.7	Weekly Schedule compliance	Ensure Schedule compliance to Maintenance work orders per maintenance strategy	2% of monthly fixed cost per month after the monthly report
X17.1.8	Reduce corrective backlog by 10%	Ensure backlog compliance as per online maintenance index	2% of monthly fixed cost per month after the monthly report
X17.1.9	NCR raised on defects that are not corrected in time	Ensure that no NCR is raised against the contractor	5% of monthly fixed cost per incident
X17.1.10	Not completing work as per submitted execution plan	Maintain or improve on the execution timeline submitted by the contractor	5% of monthly fixed cost per incident