



NEC3 Term Service Contract (TSC3)

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

and [Insert at award stage]
(Reg No. _____)

for **Kusile Power Station Fire Pump Diesel Engine
Governor Valve Controller Modification**

Contents:	No of pages
Part C1 Agreements & Contract Data	[•]
Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[•]
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Employer</i>	[•]
C1.2b Contract Data provided by the <i>Contractor</i>	[•]
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	[•]

C1.1 Form of Offer & Acceptance

Offer

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

Kusile Power Station Fire Pump Diesel Engine Governor Valve Controller Modification

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

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

Options A	The offered total of the Prices exclusive of VAT is	R
	Sub total	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is ¹	R
	(in words)	

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

Signature(s)

Name(s) _____

Capacity _____

For the tenderer:

(Insert name and address of organisation)

Name & signature of witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the
Employer**

.....
(Insert name and address of organisation)

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the Employer prior to contract award

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1	[•]	[•]
2	[•]	[•]
3	[•]	[•]
4	[•]	[•]
5	[•]	[•]
6	[•]	[•]
7	[•]	[•]

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

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

For the tenderer:

For the Employer

Signature _____

Name _____

Capacity _____

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

(Insert name and address of organisation)

Name & signature of witness _____

Date _____

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)]

1. Please read the relevant clauses in the conditions of contract before you enter data. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
2. Some TSC3 options are always selected by Eskom Holdings SOC Ltd. The remaining TSC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "[●]" - data is required to be inserted relevant to the specific option selected.]

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	A: Priced contract with price list
	and secondary Options	W1: Dispute resolution procedure
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
10.1	The <i>Service Manager</i> is (name):	Dorothy Mbonane
	Address	Kusile Power Station, R545 Balmoral/Kendal Road, Haartebeesfontein Farm, Witbank
	Tel	(013) 699 7339

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

e-mail **mbonanmd@eskom.co.za**

11.2(2)	The Affected Property is	Fire pump house
11.2(13)	The <i>service</i> is	<ul style="list-style-type: none"> • The Contractor will be required to provide the equipment needed to install and commission the governor. • The Contractor must carry out the applicable functional tests and safety tests • the Contractor will be required to conduct pump performance test to verify that the installation can achieve the desired intent of maintaining the engine speed at varying loads.
11.2(14)	The following matters will be included in the Risk Register	<ul style="list-style-type: none"> • Extra caution when wiring in electrical control panels • During installation one diesel engine will not be available and will be impaired
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	4 days
2	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	5 days after Kick-off Meeting
3	Time	
30.1	The <i>starting date</i> is.	Contract Final Signature Date
30.1	The <i>service period</i> is	4 months
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	between the 25th 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	4 weeks.
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose

appointment it shall not be necessary to prove) for amounts due in Rands and

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

6	Compensation events	Refer to NEC3 ECC terms and conditions of core clause 6
7	Use of Equipment Plant and Materials	The Contractor guarantees that the Equipment are completely new and superior in quality, free from any defect in design, material and workmanship, suitable for the use and purpose.
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	<p>1. Redundancy of the Diesel engine during installation of the new electronic governor.</p> <p>2. Lose connections when doing wiring in electrical panels</p> <p>3. High engine operating temp might affect operation of controller</p>
9	Termination	Refer to NEC 3 TSC terms and conditions core clause 9
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	3 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
W1.2(3)	The <i>Adjudicator nominating</i>	the Chairman of ICE-SA a joint Division of the South African

	<i>body is:</i>	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	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	

12 Data for secondary Option clauses

X17	Low service damages	
X17.1	The <i>service level table</i> is in	
	Compliance to Employer's Requirements	Contractor
X17.1.1	Schedule adherence	Daily feedback meetings to give progress on the project
		2-3 days out of schedule 5% of contract amount 3-6 days out of schedule 7% of contract amount

X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of <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
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all	the total of the Prices other than for the additional excluded matters.

	<p>matters arising under or in connection with this contract, other than the excluded matters, is limited to</p>	<p>The Contractor's total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the Contractor is liable under this contract for</p> <ul style="list-style-type: none"> • Defects due to his design, plan and specification, • Defects due to manufacture and fabrication outside the Affected Property, • loss of or damage to property (other than the Employer's property, Plant and Materials), • death of or injury to a person and • infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	a 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	3 days of receiving the Task Order
Z	The additional conditions of contract are	Z1 to Z14 always apply.

Z1 Cession delegation and assignment

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

Z2 Joint ventures

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

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager*

within thirty days of the notification or as otherwise instructed by the *Service Manager*.

- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Service Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z4.4 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

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

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

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:
- accepts that the *Employer* may appoint him as the "Principal Contractor" (as defined and provided for under the Construction Regulations 2014 (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 *service*; and

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

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor's* direction and control, likewise observe and comply with the foregoing.

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

Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

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

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

Z9 Employer's limitation of liability

Z9.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

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

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

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

Z11 Ethics

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

Affected Party means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's

employees, or any one or more of all of these parties' relatives or friends,

Coercive Action means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,

Collusive Action means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,

Committing Party means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,

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

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

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

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

- Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.
- Z11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
- Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

Z12 Insurance

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

Insurance cover 83

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

INSURANCE TABLE A

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

Z 12.2 Replace core clause 86 with the following:

Insurance by the Employer 86

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

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document

Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

NB: Contractor shall be liable to any damaged caused to Employer’s property, equipment, material, and plant. Contractor shall be accountable for 25% of the damages caused per incident.

Z13 Nuclear Liability

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z14 Asbestos

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

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

Ambient Air	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
Compliance Monitoring	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

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

C1.2 Contract Data

Part two - Data provided by the Contractor

[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)³ in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job	

³ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in _____ .

A	Priced contract with price list
11.2(12)	The <i>price list</i> is in _____
11.2(19)	The tendered total of the Prices is R _____

PART 2: PRICING DATA

TSC3 Option A

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

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	DESCRIPTION	UNIT	NO	QTY	RATE	AMOUNT
	FIRE PUMP DIESEL ENGINE GOVERNOR VALVE CONTROLLER MODIFICATION					
1	PRELIMINARIES AND GENERAL (P&G's)					
1.1	Approved H&S file (Contractor's H&S file) in accordance with Eskom SHEQ rules and procedures	Once-off		1		
1.2	Medicals and Induction in accordance with Eskom SHEQ rules and procedures	Once-off		5		
1.3	PPE in accordance with Eskom SHEQ rules and procedures	Once-off		5		
1.4	Return Traveling (Germiston to kusile power station) for the duration of 2 Months	km/Day/Month	788	2		
	TOTAL 1					
2	RESOURCES / LABOUR					
2.1	Senior Technician (Average Early-Career 5 - 9 years)	Hours/Month	300	1		
2.2	Instrumentation Technician (Average Early-Career 1 - 4 years)	Hours/Month	300	1		
2.3	Artisan Welder (Class-B)	Hours/Month	300	1		
2.4	General Labour/Assistant (Average Early-Career 1 - 4 years)	Hours/Month	300	2		
	TOTAL2					
3	SUPPLY AND INSTALLATION, COMMISSION, TESTING AND HANDOVER					
3.1	Doosan Diesel Engine Governor Electronic Controller Unit	EA		2		
3.2	Sensor Technometer	EA		2		
3.3	Governor Actuator	EA		2		
3.4	Wiring and Harness	Sum		1		
3.5	Tools and Equipment	Sum		1		
3.6	Administration, Documentation and Training (Manuals, etc.)	Hours/Day	37.5	1		
3.7	Testing, Commissioning and Handover	Hours/Day	22.5	1		
	TOTAL3					
	Carried to Final Total Summary (1+2+3)					

PART 3: SCOPE OF WORK

Document reference	Title	No of pages
	This cover page	1
C3.1	<i>Employer's Service Information</i>	
C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

Contents

Part 3: Scope of Work	2
C3.1: Employer's service Information	iii
1 Description of the service	v
1.1 Executive overview	v
1.2 <i>Employer's</i> requirements for the <i>service</i>	viii
1.3 Interpretation and terminology	viii
2 Management strategy and start up	ix
2.1 The <i>Contractor's</i> plan for the <i>service</i>	ix
2.2 Management meetings	ix
2.3 <i>Contractor's</i> management, supervision and key people	x
2.4 Provision of bonds and guarantees	x
2.5 Documentation control	x
2.6 Invoicing and payment	x
2.7 Contract change management	xi
2.8 Records of Defined Cost to be kept by the <i>Contractor</i>	xi
2.9 Insurance provided by the <i>Employer</i>	xi
2.10 Training workshops and technology transfer	xi
2.11 Design and supply of Equipment	xi
2.12 Things provided at the end of the <i>service period</i> for the <i>Employer's</i> use	xi
2.12.1 Equipment	xi
2.12.2 Information and other things	xi
2.13 Management of work done by Task Order	xii
3 Health and safety, the environment and quality assurance	xiii
3.1 Health and safety risk management	xiii
3.2 Environmental constraints and management	xiii
3.3 Quality assurance requirements	xiii
4 Procurement	xiv
4.1 People	xiv
4.1.1 Minimum requirements of people employed	xiv
4.1.2 BBBEE and preferencing scheme	xiv
4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)	xiv
4.2 Subcontracting	xiv
4.2.1 Preferred subcontractors	xiv
4.2.2 Subcontract documentation, and assessment of subcontract tenders	xiv
4.2.3 Limitations on subcontracting	xiv

4.2.4	Attendance on subcontractors	xiv
4.3	Plant and Materials	xiv
4.3.1	Specifications	xiv
4.3.2	Correction of defects	xv
4.3.3	<i>Contractor's</i> procurement of Plant and Materials	xv
4.3.4	Tests and inspections before delivery	xv
4.3.5	Plant & Materials provided "free issue" by the <i>Employer</i>	xv
4.3.6	Cataloguing requirements.....	xv
5	Working on the Affected Property.....	xvi
5.1	<i>Employer's</i> site entry and security control, permits, and site regulations.....	xvi
5.2	People restrictions, hours of work, conduct and records.....	xvii
5.3	Health and safety facilities on the Affected Property	xvii
5.4	Environmental controls, fauna & flora.....	xvii
5.5	Cooperating with and obtaining acceptance of Others.....	xvii
5.6	Records of <i>Contractor's</i> Equipment.....	xvii
5.7	Equipment provided by the <i>Employer</i>	xvii
5.8	Site services and facilities.....	xviii
5.8.1	Provided by the <i>Employer</i>	xviii
5.8.2	Provided by the <i>Contractor</i>	xviii
5.9	Control of noise, dust, water and waste	xviii
5.10	Hook ups to existing works	xviii
5.11	Tests and inspections	xviii
5.11.1	Description of tests and inspections	xviii
5.11.2	Materials facilities and samples for tests and inspections	xviii
6	List of drawings.....	xix
6.1	Drawings issued by the <i>Employer</i>	xix

1. Description of the service

Executive overview

The project is based on the 2x Diesel engine on site located in the Fire Pump house in Kusile Power station. The projects entail installation of electronic governor system in the 2x engines. Currently there is mechanical type governor installed. Typically, this will require a diesel mechanic with senior supervisor with related experienced of at least 5 years with competency in electronics.

The scope of work therefore includes the following:

The Contractor should adhere to but is not limited to the Contractors scope of work, operational & maintenance procedures and policies as provided by the *Employer*

The project team (The Contractor) must supply the *Employer* with the following goods / services as part of the service provided, procurement of all the required installation balance of materials and equipment:

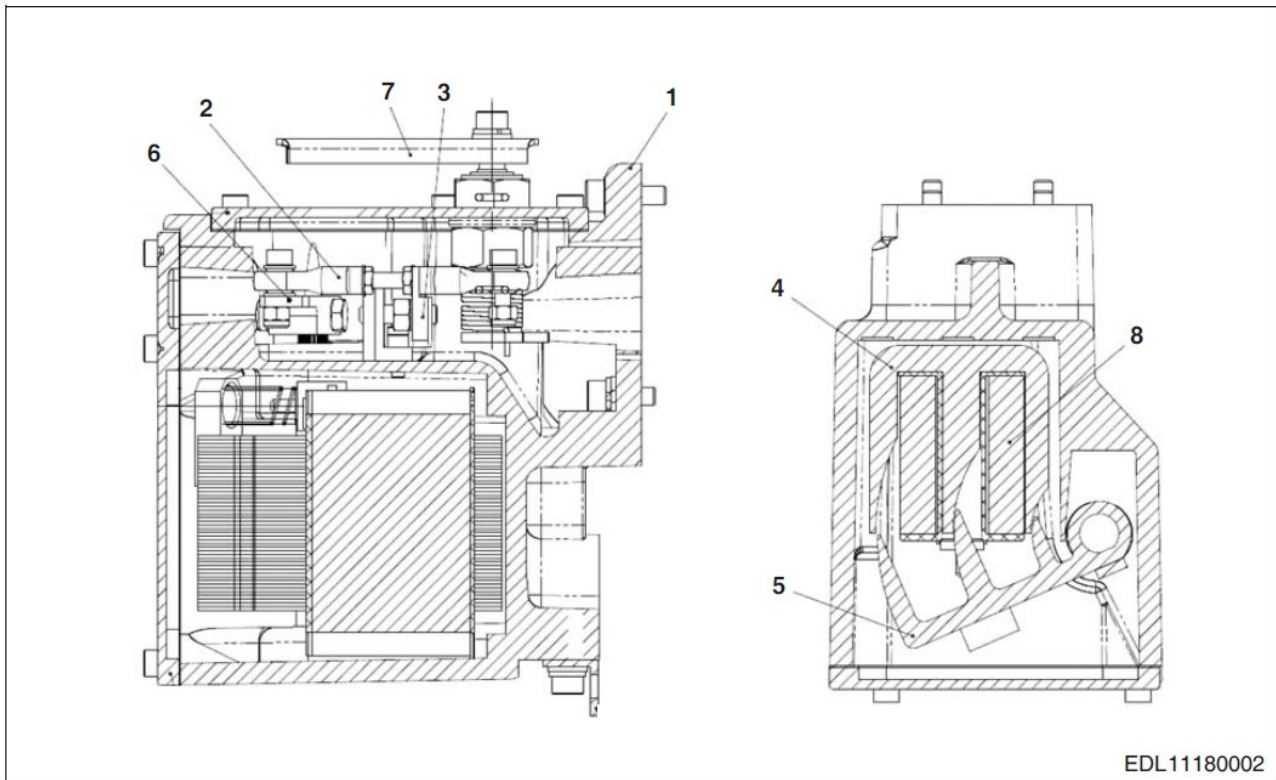
- Detailed bill of materials.
- Mounting Systems for panels (relevant brackets & fasteners)
- Associated wiring required for the installation of the electronic governor system
- Detailed cost breakdown and budget.
- Labour Hours & Costs
- Logistic Hours & Costs
- Detailed work breakdown with milestones
- Detailed specifications and datasheets of all equipment and materials to be used.
- Detailed line diagrams and schematics required for implementation
- Final signed off design after consultation with the project team
- Final sign-off of all the documentation and material required for the contract by the project team.
- Final detailed operational and maintenance plan including O&M contract as stipulated
- Site system testing, commissioning and sign off
- Handover of Site system to Eskom including the as built documentation relevant to the system, O&M regime and all logs.
- Providing full training of installation; testing, commissioning; COC's complying with industry best practices, policies and regulations.
 - Task based Risk Assessment
 - Evacuation plan
 - First aid kit

A site inspection can be arranged with the contractor to establish the full scope.

Specification of Product or Goods:

A suitable electronic governor controller for 2x Doosan Diesel Engine model PU180TI.

Below is the layout of the controller ad associated components as per OEM manual:



EDL11180002

Figure1: Outside view and main components of governor

- 1) Frame
- 2) Ball link assembly
- 3) Stop plate
- 4) Static core assembly
- 5) Moving core assembly
- 6) Operating lever
- 7) Stop lever
- 8) Coil

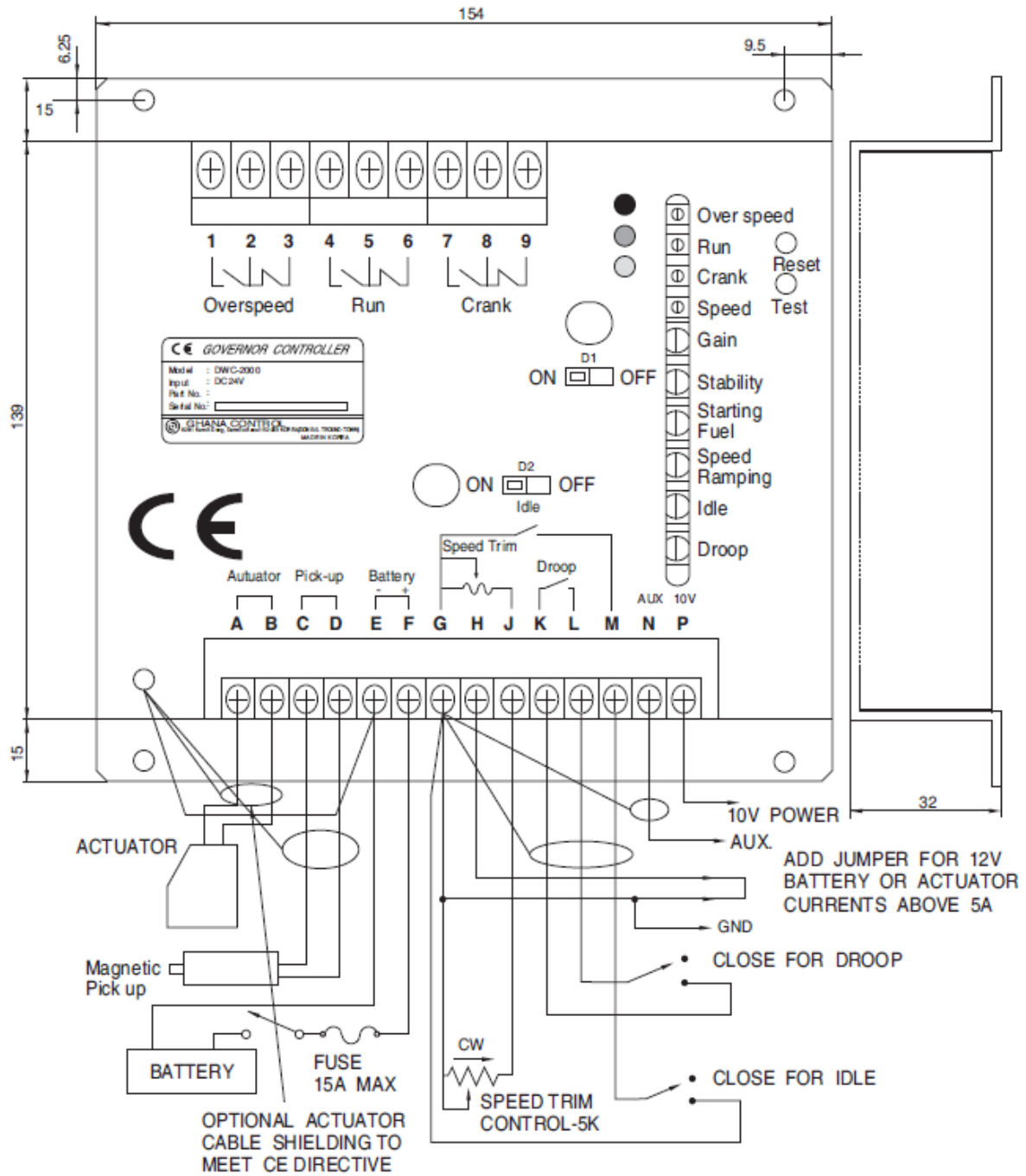


Figure 2: DWC-2000 controller components overview

Employer's requirements for the service

Supply and install:

2 x Doosan Diesel Engine Governor Electronic Controller unit for Doosan PU180TI Diesel Engine. This includes actual controller, control unit and all accessories required to run control the engine.

A suitable and compatible electronic controller type is to be used for this specific engine. This includes all associated wiring and mountings.

The electronic governor controller unit is to be mounted as per OEM manual, with special consideration to avoid exposure to radiant heat and moisture content to prevent damage to the controller. For overspeed protection, A secondary shutoff device, such as a fuel solenoid must be used.

EMC (Electromagnetic Compatibility) requirements must be satisfied; this includes the use of shielded wires for all signal lines and ground all the shields to one of the bolts used to mount the controller.

The Contractor will be required to provide the equipment needed to install and commission the governor. The Contractor must carry out the applicable functional tests and safety tests. Once commissioned, the Contractor will be required to conduct pump performance test to verify that the installation can achieve the desired intent of maintaining the engine speed at varying loads.

Supplier will provide values for power consumption during starting of the engine. This might also relate to the currently installed charger, if capacity of this charger will be enough to maintain the required voltage on the batteries, should additional batteries be required.

Conduct training on inspection, operation and maintenance of the governor controller.

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits
OEM	Original Equipment Manufacturer
O&M	Operating and Maintenance
COC	Certificate of Conformance
EMC	Electromagnetic Compatibility

2. Management strategy and start up.

The Contractor’s plan for the service

The Contractor shall maintain, at the Contractor’s Project Site office, one complete, up-to-date copy of the Contract and all Contract related documents (including Contractor’s Documents, drawings and documents issued by and to the Contractor, Compensation Events, Progress Reports, correspondence, non-conformance reports etc.). Without limitation the Contractor shall maintain at the Contractor’s Project Site office one up-to-date copy of all approved shop drawings, product data, samples, and other submittals required of the Contractor. These documents shall be available to the Employer at all times.

Project Kick-off meeting will be held prior to mobilisation of resources to site. The purpose of this meeting is to review the Work Coordination Process deliverables and Work Coordination Plan submitted for Employer’s review.

Contractors Project Implementation Plan should be in Primavera or MS Project for easy integrated schedule.

Management meetings

Regular meetings of a general nature will be convened and chaired by the *Employer’s Agent* as follows:

Title and purpose	Approximate time & interval	Location	Attendance by:
Project Kick-off Meeting	3 days Contract Award	Kusile Power Station	Employer, Contractor and Others
SHEQ Requirements Clarification Meeting	3 days after Kick – off meeting	Kusile Power Station	Employer, Contractor and Others
Execution Progress Meeting	Daily	Kusile Power Station	Employer, Contractor and Others
Overall contract progress and feedback	Weekly on Tuesdays	Kusile Power Station	<i>Employer</i> and <i>Contractor</i>
Risk register and compensation events	Daily	Kusile Power Station	Employer, Contractor and Others
Other	as and when required		<i>Employer, Contractor and Others</i>

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

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

Contractor's management, supervision and key people

The *Contractor's* organogram indicate the lines of authority and contact details.

Contractors Site Manager should always be onsite for direct supervision of workers. Contractors Safety Officer should be the one meeting with Employers Safety Officer during Safety File evaluations.

Provision of bonds and guarantees

Not applicable

Documentation control

Communication

All contractual communication between the *Employer's Services Manager and Service Provider* to be in a document format according to TSC3 attached to emails and not a message in the email itself.

Each communication letter is to indicate the type of notification in the subject and the period of reply thereof. Other Key personnel (if any) for official communication between the *Employer* and the *Consultant* will be agreed upon in writing at the Kick-off Meeting.

Documentation

Document Identification and relevant report templates to be issued by *Employer's Service Manager* after contract award.

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.

The *Contractor* shall address the tax invoice to ESKOM HOLDINGS SOC Ltd 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;

- The invoice is to be submitted to **invoiceseskomlocal@eskom.co.za** once confirmed with the payment certificate

Contract change management

Standard TSC3 forms to be used for communication for contract change between the *Employer's Agent* and *Consultant*.

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

The contractor must keep all documentation related to the project and submit signed hard copies as well as scanned PDF copies upon finalisation of the document content and signatures.

Insurance provided by the *Employer*

Refer to TSC3 provided section under Insurance.

NB: Contractor shall be liable to any damaged caused to Employer's property, equipment, material, and plant. Contractor shall be accountable for 25% of the damages caused per incident and the Employer to cover the remaining percentage.

Training workshops and technology transfer

The contractor must train site personnel (Operating, Maintenance and Engineering) on the operation, maintenance and inspection of the electronic governor controller system. This will be a once off physical site training. Documentation to Operate, maintain and inspect these components will then be shared at the end of the training for the station's perusal.

Design and supply of Equipment

The *Contractor* is responsible for supply of all equipment required for the works.

The design is to be submitted to the *Service Manager* for acceptance prior to the start of the works.

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

Equipment

Not applicable

Information and other things

At the end of the service period the *Contractor* will be required to provide the *Employer* with the *Contractor's* Safety file, data sheets and manuals of the governor controller unit and accessories. Technical Information of all equipment to be supplied for cataloguing.

Management of work done by Task Order

A task order is to be issued by the *Employer* prior to the start of any *works*.

The *Contractor* is to issue the programme for the task order as stipulated in the Contract

Upon completion of the works for the issued task order, the Contractor is to notify the Service Manager of assessment of the works

3. Health and safety, the environment and quality assurance

Health and safety risk management

A Safety, Health, Environment and Quality (SHEQ) specification is Kusile Power Station's minimum requirements detailing also constraints, which are required to be met for the specific contract and for the duration of the contract period by the Contractor.

The Contractor is expected to develop a SHEQ plan which meets these requirements as well as relevant and other legal and other requirements applicable to the issued scope of work.

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.

This SHEQ specification reflects minimum requirements and should not be construed as all encompassing. The Contractor shall comply with (SHEQ) requirements contained in Annexure A of this Service Information.

Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints stated in SHE spec provided

Quality assurance requirements

Contractor shall comply with the quality requirements stated in SHE spec provided

4. Procurement

People

Minimum requirements of people employed

Work permit required for foreigners if identified

BBBEE and preferencing scheme

Specify constraints which *Contractor* must comply with after contract award regarding any Broad Based Black Economic Empowerment (B-BBEE) or preferencing scheme measures.

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

Not applicable.

Subcontracting

Preferred subcontractors

Not applicable

Subcontract documentation, and assessment of subcontract tenders

Not applicable

Limitations on subcontracting

Not applicable

Attendance on subcontractors

State requirements for attendance on Subcontractors if any

Plant and Materials

Specifications

The contractor is responsible for providing components and material necessary to provide the services.

Correction of defects

The contractor shall provide maintenance and repair of all the components necessary to provide the services. All defects to the works shall be rectified as specified in the applicable Quality Management standards.

Defects are given 52 weeks period as per the NEC contract after completion of the works.

Contractor's procurement of Plant and Materials

The Contractor will be required to provide the *Employer* with a technical data sheet of the plant or material supplied to the *Employer*. A guarantee and warranties certificate will also be required for any plant and material supplied by the *Contractor* to the *Employer*.

Tests and inspections before delivery

The *Contractor* is responsible for providing quality inspections as per the scope requirements and rectifies all defects within agreed time period. The components will require test certificates which shows that they were tested prior to being installed/delivered on site.

The Contractor shall supply the end of job documentation associated with the services. The end of job documentation consists of the signed off (where applicable) completion forms of acceptance by the *Employer*

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

Not applicable

Cataloguing requirements by the *Contractor*

The Contractor to provide the *Employer* with a technical data sheet of the plant or material supplied to the *Employer* for cataloguing purposes. An example of the cataloguing sheet will be provided after Contract Award.

5. Working on the Affected Property

The project will be implemented within the boundaries of the diesel pump house, each engine housed in its individual room. Where the contractor will be working the area will be cleared for them to work there and the engine will be impaired via the site impairment process for fire protection systems. This will be applicable to both engines after one engine is done and the activities will continue on the second engine.

Employer's site entry and security control, permits, and site regulations

Security and Access:

The *Employer* will provide perimeter security and access control for the Project Site. Strict access control shall be implemented 24 hours a day at all entrances to the Project Site. All persons and vehicles entering or exiting the Project Site may be subjected to searches and the *Employer* reserves the right to refuse entrance to Project Site to any person not meeting security and/or access requirements.

From time to time, and as required, the *Employer* will issue policies and procedures regarding Project Site security and access control. These policies and procedures shall be strictly adhered to by the Contractor. The *Employer* shall be entitled, at his discretion, to amend or relax the Project Site security and/or access requirements to deal with emergencies or other circumstances justifying such amendment or relaxation. Any breach of security must be reported to the *Employer* immediately.

The *Contractor* shall do induction as soon as Safety File is approved.

Access control for persons:

The *Contractor's* Personnel and any visitors on the Project Site must be in possession of a valid identification card supplied by the *Employer*. Applications for identification cards shall be made in the form prescribed by the *Employer*. The identification cards and fingerprint identification shall be used to gain access to the Project Site and only persons with legitimate business on the Project Site and in possession of such identification cards will be allowed access.

Applications for identification cards and fingerprint imaging shall be made in good time prior to access being required. Lost, stolen or damaged cards shall be reported to the *Employer* immediately. A fee shall be charged for replacement cards.

Identification card holders might be required to produce their identification cards for a photo to face and finger print check at the security check points. Where a card holder's right of access to the Project Site is withdrawn, his identification card will be electronically cancelled. It is the responsibility of the Contractor to ensure the card is returned to the *Employer*.

Access in the place of work

Permit to work should be in force for any work that involves isolating, testing, removing and replacing any parts.

People restrictions, hours of work, conduct and records

People Restriction

People are restricted to the Affected Property only

Hours of Work

The *Contractor* is restricted to hours only applicable to site access from 07h00 to 16h15. Any other remote work can be carried out remotely after these hours.

The *Contractor* keeps records of his people working on the *Employer's* property. The *Employer's Agent* shall have access to these records at any time.

Conduct

The *Contractor* and his employees are required to always maintain professional and ethical conduct, which upholds the Eskom Values to the highest standard.

Should the *Contractor's* employees be found to contravene the Eskom Values, Life Saving Rules and /or any of the aforementioned regulations, the *Contractor* must institute disciplinary action, which may include removal from site, until the disciplinary process is concluded.

Health and safety facilities on the Affected Property

Refer to section 3.

Environmental controls, fauna & flora

Refer to section 3 above.

Cooperating with and obtaining acceptance of Others

The performance of the Works which affects the *Employer's* operations or the systems of Other Project Contractors shall be scheduled to be performed only at times approved by the *Employer*. The procedure for carrying out work which of necessity interrupts the *Employer's* operations, or the systems of Other Project Contractors, or imposes abnormal operating conditions on their systems, is subject to the Work Co-ordination Process and the approval of the *Employer*. This refers to instances whereby there are activities that are taking place in the pump house or there is a pump test to be carried out.

Records of Contractor's Equipment

Contractor to keep a list of all their equipment

Equipment provided by the Employer

Scaffolding to be provided by the *Employer* to assist with platform for contractor to stand on when installing the governor controller onto the engine.

Scaffolding requests should be done a week prior to avoid emergent work.

Site services and facilities

Provided by the *Employer*

The following is supplied by the *Employer*:

Parking space
Power Connection
Ablution facilities
Waste disposal

Provided by the *Contractor*

Contractor is to provide All other equipment and facilities required to complete the works.

Control of noise, dust, water and waste

The contractor shall be responsible for the control of noise, dust, water and waste in accordance to the Environmental Management Plan and relevant legislations.

Hook ups to existing works

Not applicable

Tests and inspections

Description of tests and inspections

The Contractor shall supply the end of job documentation associated with the services. The end of job documentation consists of the signed off (where applicable) completion forms of acceptance by the Employer. The contractor shall test the installation after completion of all works to determine if the project was a success to the acceptance of the employer.

Materials facilities and samples for tests and inspections

The supplier must provide approved test and inspection reports of the equipment that will be installed as part for the electronic governor system.

6. List of drawings

Drawings issued by the *Employer*

This is the list of drawings issued by the *Employer* at or before the Contract Date and which apply to this contract.

Drawing number	Revision	Title
0.90/37400	9	Kusile Power Station Diesel Engine Fire Pump Units GA of KSB Omega 250-600B Pump with DAEWOO PUT180Ti Diesel Engine
950106-036009EN	-	Doosan Engine PTU180I manual