

PROVISION OF ASH AND OUTSIDE PLANT OPERATING SERVICES FOR 24 MONTHS PERIOD AT KOMATI POWER STATION



NEC3 Term Service Contract (TSC3)

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

and

for **THE PROVISION OF ASH AND OUTSIDE PLANT
OPERATING SERVICES KOMATI POWER STATION FOR
THE PERIOD OF 24 MONTHS**

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CONTRACT No.

PROVISION OF ASH AND OUTSIDE PLANT OPERATING SERVICES FOR 24 MONTHS PERIOD AT KOMATI POWER STATION

PART C1: AGREEMENTS & CONTRACT DATA

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C1.1 Form of Offer & Acceptance

Offer

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

Title of the Contract

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 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	
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:

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*.

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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):

Date:

Name(s):

Capacity:

for the Employer: Komati Power Station

for the Employer:

for the witness:

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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

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) _____

Komati Power Station

Name & signature of witness: _____

Date: _____

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C1.2 TSC3 Contract Data

Part one - Data provided by the Employer.

Clause	Statement	Data
1	General	
	The conditions of contract 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 of the NEC3 Term Service Contract April 2013 ² (TSC3)	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
10.1	The Employer 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:	Komati Power Station Private Bag Blinkpan 3350
10.1	The Service Manager is (name):	Nhlanhla Mbamba
	e-mail	SibanyNH@eskom.co.za
11.2(2)	The Affected Property is	Komati Power Station
11.2(13)	The service is	Provision of Ash and Outside Plant Operating Services
11.2(14)	The following matter/s will be included in the Risk Register	Komati Power Station Final Decommissioning: Services Manager will

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

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		notify the Contractor three months prior to Contract termination due to final decommissioning of the Fossil Power Plant Systems.
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 law of the contract is the law of	the Republic of South Africa
13.1	The language of this contract is	English
13.3	The period for reply is	2 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 Contractor submits a first plan for acceptance within	
3	Time	
30.1	The starting date is.	
30.1	The service period is	24 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 assessment interval is	Between the 25th day of each successive month.
51.1	The currency of this contract is the	South African Rand
51.2	The period within which payments are made is	4 (four) weeks.
51.4	The interest rate 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
6	Compensation events	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data

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7	Use of Equipment Plant and Materials	Two-way radios, and valve spanners. However, these equipment's will be provided by the Client/Eskom.
8	Risks and insurance	
80.1	These are additional Employer's risks	<ul style="list-style-type: none"> Decommissioning and rehabilitation of some of the fossil power plant areas which might affect the Ash and Outside Plant Operating scope of work. Industrial actions(strike) including community unrest
83.1	The Employer provides these insurances from the Insurance Table	as stated for "Format TSC3" available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za (See Annexure A for basic guidance).
83.1	The Employer provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure A for basic guidance)
83.1	The minimum amount of cover for insurance against loss and damage caused by the Contractor to the Employer's property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available from Dhevlen Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za From_1_April_2014_To_31_March_2015.aspx
83.1	The insurance against loss of or damage to the works, Plant and Materials is to include cover for Plant and Materials provided by the Employer for an amount of	whatever the Contractor deems necessary in addition to that provided by the Employer.
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the Employer's property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the Contractor) arising from or in connection with the Contractor's Providing the Service for any one event is:	whatever the Contractor deems necessary in addition to that provided by the Employer.

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83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the Contractor 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 Contractor's 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 reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The Contractor prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	4 weeks
11	Data for Option W1	
W1.1	The Adjudicator	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 Adjudicator nominating body is:	Will be appointed when the dispute arises
W1.4(2)	The tribunal is:	arbitration
W1.4(5)	The arbitration procedure 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 - Johannesburg
	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	

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X1	Price adjustment for inflation			
X1.1	The base date for indices is	Tenderers to submit CPA formula with the tender		
	The proportions used to calculate the Price Adjustment Factor are:	Proportion	linked to index for	Index prepared by
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.		
X18	Limitation of liability			
X18.1	The Contractor's liability to the Employer for indirect or consequential loss is limited to	R0.0 (zero Rand)		
X18.2	For any one event, the Contractor's liability to the Employer for loss of or damage to the Employer's property is limited to	<p>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available from Dheven Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za</p>		
X18.3	The Contractor's 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 <p>the amounts excluded and unrecoverable from the Employer's insurance (other than the resulting physical damage to the Employer's property which is not excluded) plus the applicable deductibles in the Employer's assets and works / maintenance policies available Dheven Bisetty at 011 800 2714 Email: Bisett@eskom.co.za Moses Mmutle at 011 800 4062 Email: CMmutleM@eskom.co.za Krishan Chaithoo at 011 800 4455 Email: ChaitK@eskom.co.za</p>		
X18.4	The Contractor's total liability to the Employer, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	<p>the total of the Prices other than for the additional excluded matters.</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>		

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		<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 end of liability date is	0 months after the end of the service period.
X19	Task Order	
X19.5	The Contractor submits a Task Order programme to the Service Manager within	7 days of receiving the Task Order
Z	The additional conditions of contract are	Z1 to Z11 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 because 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	

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	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, while 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.

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Z6	Health, safety, and the environment: Add to core clause 27.4
Z6.1	<p>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:</p> <ul style="list-style-type: none"> • 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 enough 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

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	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 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 influence the actions of an Affected Party unlawfully or illegally,

Fraudulent Action means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, 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

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

Z 11.1 A Committing Party may not take any Prohibited Action during the procurement of this contract or in execution thereof.

Z 11.2 The Employer may terminate the Contractor’s obligation to Provide the Service 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 Service for this reason.

Z 11.3 If the Employer terminates the Contractor’s obligation to Provide the Service for this reason, the procedures and amounts due on termination are respectively P1, P2, P3 and P4, and A1 and A3.

Z 11.4 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.

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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. The Contractor must obtain its own advice. 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/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx

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C1.2 Contract Data

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

Clause	Statement	Data
10.1	The Contractor is (Name):	
	Address	
	Tel No.	
	Fax No.	
11.2(8)	The direct fee percentage is	
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the Contractor's 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	
	Responsibilities:	
	Experience:	
A	Priced contract with price list	
11.2(12)	The price list is in	
11.2(19)	The tendered total of the Prices is	

Part 2: Pricing Data
TSC3 Option A

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Document reference	Title
C2.1	Pricing assumptions: Option A
C2.2	The price list

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- 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 price list unless later changed in accordance with this contract.

(17) The Price for Services Provided to Date is the total of

the Price for each lump sum item in the Price List which the Contractor has completed and where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the Contractor 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;

PROVISION OF ASH AND OUTSIDE PLANT OPERATING SERVICES FOR 24 MONTHS PERIOD AT KOMATI POWER STATION

- 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 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 because 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	DESCRIPTION	UNIT	NO. OF PERSONEL	QUANTITY	RATE	AMOUNT
100	RESOURCES					
1	Outside Plant Shift Supervisor	Each	4	168		
2	Common Plant Panel Operators	Each	4	168		
3	Common Plant Senior Panel Operators	Each	4	168		
4	Plant Operators (Operating Ash plant)	Each	4	168		
5	Safety Officer	Each	1	15		
	SUBTOTAL 100					
200: PRELIMINARIES AND GENERALS						
ITEM	DESCRIPTION	UNIT	QUANTITY	RATES/PRICE	AMOUNT	
1	PPE	Yearly	3			
2	Safety file	Sum	1			
3	Medicals	Yearly	3			
	SUB TOTAL 200					
300	After hours including Saturdays					
	Outside Plant Shift Supervisor	hour	1			
	Common Plant Panel Operators	hour	1			
	Common Plant Senior Panel Operators	hour	1			
	Plant Operators (Operating Ash plant)	hour	1			
	Travel cost	km	1			
	Sub total(300)					
400	Sundays and including Public holidays					
	Outside Plant Shift Supervisor	hour	1			
	Common Plant Panel	hour	1			

PROVISION OF ASH AND OUTSIDE PLANT OPERATING SERVICES FOR 24 MONTHS PERIOD AT KOMATI POWER STATION

	Operators					
	Common Plant Senior Panel Operators	hour	1			
	Plant Operators (Operating Ash plant)	hour	1			
		km	1			
	Sub total (400)					
500	SHIFT ALLOWANCE					
	Outside Plant Shift Supervisor	Monthly	36			
	Common Plant Panel Operators	Monthly	36			
	Common Plant Senior Panel Operators	Monthly	36			
	Plant Operators (Operating Ash plant)	Monthly	36			
	Sub total(500)					
	Total					

Part 3: Scope of Work

Document reference	Title
	This cover page
C3.1	Employer's Service Information
C3.2	Contractor's Service Information

PROVISION OF INDUSTRIAL AND GENERAL CLEANING AT KOMATI POWER STATION FOR 28 MONTHS PERIOD AT
KOMATI POWER STATION

C3.1: Employer's service Information

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Cooperating with and obtaining acceptance of Others:	xi
Things provided by the Employer:	xi
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Description of the service – The Provision of Ash and Outside Plant Operating Services

Executive Overview

- Provide Shift Supervisor who are authorised as Appointed Persons (AP) and Appointed Operators (AO) on all shifts on a 24-hours basis. (PSR and ORHVS). The Shift Supervisors will assume this role to cover the Compressor Plant, Ash Dam Pumps and Ash Plant (4). Supervision of people and operating activities associated with Auxiliary Systems, Ash, and Outside Plant through adequate planning, organising, coordinating, monitoring and control of activities.
- Provide seasoned Panel Operators to man and operate the Common Plant Control Panel and all related plants on a 24-hour basis on the DCS. (Common Plant Panel Operators x4)
- Provide a Senior Plant Operator to operate the Compressor Plant and to operate the Cooling Water (CW) plant system including the interval routine inspections and recording of readings by completing the Common Plant Running Check Sheet (day/night shift) (Common Plant Senior Plant Operators x 4) Outside Plant:
- Provide a Plant Operator to operate the Ash plant system including the routine inspection on the ash lines by completing Ash Plant Running Check Sheet (day/night shift) (Ash Plant Operator x4)
- Provide OHS Officer that will work as and when required to provide the following services. (1)

Employer's requirements for the service:

- To operate, man and monitor the entire Ash and Outside Plant through the provision of competent and authorised Operators.

DETAILED WORK INSTRUCTION

Provide seasoned Panel Operators to man and operate the Common Plant Control Panel and all related plants on a 24-hour basis on the DCS. (Common Plant Panel Operators x4)

- Control common plant operations within the prescribed parameters and operating technical specifications.
- Log all operating activities, incidents, and other activities while on shift.
- Communicate the status of plant and quantities of fuel, propane, and sulphur to shift supervisor.
- Take corrective action to restore plant to normal and,
- Promptly respond and take corrective action to all plant alarms and failures.
- To effectively carry out the Ash and Coal operations on site in a safe and cost-effective manner by complying with all applicable operating procedures and processes.
- To transfer skills to Common Plant Learner Panel Controllers/Operators through mentoring and coaching while on shift.
- Take personal responsibility in complying with Eskom policy on ethical business conduct and to report any contraventions that could harm the business and operations.
- Operate the control room activities in accordance with laid down policies and procedures, conduct risk assessment on critical operating activities. Mitigate the impact safety and production outputs and environment.
- Carry out emergency operation in accordance with laid down instructions and in conjunction with relevant stakeholders.
- Record all operating and occurrences and other related operating while on duty.

Provide a Senior Plant Operator to operate the Compressor Plant and to operate the Cooling Water (CW) plant system including the interval routine inspections and recording of readings by completing the Common Plant Running Check Sheet (day/night shift) (Common Plant Senior Plant Operators x 4)

Outside Plant:

- Drier in service
- Compressor in service
- Check visible air and oil leaks on the Compressor Plant
- Check water traps on the air receivers to be open.
- Housekeeping around compressor plant vicinity
- Report any abnormal conditions to the Shift Supervisor
- Check DE and NDE motor bearing oil levels to at NWL.
- Check CW pumps hydraulic valve oil level and lube oil diff pressure.
- Check visible water and oil leaks on the CW pumps system.
- Monitor CW forebay level.
- Housekeeping around CW pump house
- Report any abnormal conditions to the Shift Supervisor.

Provide a Plant Operator to operate the Ash plant system including the routine inspection on the ash lines by completing Ash Plant Running Check Sheet (day/night shift) (Ash Plant Operator x4)

- To operate the ash plant in accordance with laid down instructions and procedures.
- To operate the Ash pumps associated manual valves when the pumps are being used or as per the instruction from the Shift Supervisor.
- Report detailed defects on any plant item of ash plant which may require the attention of Maintenance.
- Ensure that the plant status is handed over the Shift Supervisor before the end of shift.
- Monitor the Ash sump level and start the bilge pump when required.
- Prepare the plant for service by completing the pre-start check sheets on the plant before returning to service.
- Operate the plant under normal and emergency situations as directed.
- Carry out frequent inspections and complete plant check sheet. i.e., Ash and sluice pumps, gland sealing water pumps, and any visible leaks on the ash lines from the sump to the security fence)

Provide Shift Supervisor who are authorised as Appointed Persons (AP) and Appointed Operators (AO) on all shifts on a 24-hours basis. (PSR and ORHVS). The Shift Supervisors will assume this role to cover the Compressor Plant, Ash Dam Pumps and Ash Plant (4). Supervision of people and operating activities associated with Auxiliary Systems, Ash, and Outside Plant through adequate planning, organising, coordinating, monitoring and control of activities including not limited to the following.

- Management of staff on shift, issuing instructions on plant activities
- Management of all plant permits.
- Attending meetings as and when required
- Loading defects on system
- Follow up on any plant related issues.
- Shift Supervisors who will be physically in charge of day to day running of plant I e ashing and outside plant activities.
- Inspect all electrical apparatus in his/her area of responsibility as per schedule i.e., switchgear, electrical boards, and transformers. Shift Supervisor

Provide OHS Officer that will work as and when required to provide the following services. (1)

- Enforce compliance with Eskom policy on ethical business conduct and to report any contraventions that could harm the business and operations.
- To ensure that the admin documents are current and include SHEQ objectives.
- To ensure adherence to OHS regulations and maintain effective safety management.
- Be always available for OHS related reviews or audits.

NOTE THE CONTRACTOR'S RESPONSIBILITIES:

- Provide the employees with PPE.
- Provide all consumables, materials, equipment's, and tools required for work.
- Always ensure safe working conditions.
- Perform risk assessment for every activity.
- Keep workers register current.
- Ensure that there is a permit to work enforce where required.
- Dispose all debris to the relevant skip provided by the Employer.

Interpretation and terminology:

If required include here definitions additional to those used in the conditions of contract which are required only for the purpose of making the Service Information easier to draft and read. Also list abbreviations used and provide a full interpretation of each one, for example:

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits
CW	Cooling Water
TLB	Tractor Loader Backhoe
PTW	Permit to work
WP	Work permit

Management strategy and start up.

The Contractor's plan for the service

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Overall contract progress and feedback	As and when required	Komati Power Station	Contracts Manager and Contractor

Provision of bonds and guarantees.

Not applicable

Documentation control

Specify how documentation will be identified with an alpha numeric which indicates source, recipient, communication number etc. Provide details of any particular format or other constraints; for example, that all contractual communications will be in the form of properly compiled letters or forms attached to e mails and not as a message in the e mail itself. State any particular routing requirements but note from TSC3 who issues what to whom.

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 / Supplier / Contractor shall address the tax invoice to

ESKOM HOLDINGS SOC LIMITED
KOMATI POWER STATION
PRIVATE BAG X
BLINKPAN
2250

and include on each invoice the following information:

- Name and address of the Service Manager.
- The Contract number and title;
- All Electronic invoices must be sent in PDF format only.
 - Each PDF file should contain on 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.
 - The Contractor's e-mail may contain more than one PDF file (e.g., 2 invoices on 2 separate PDF files in one e-mail);
- The Task Order number starting with 45* series.
- Contractor's / Supplier's / Contractor's VAT registration number.

Add procedures for invoice submission and payment (e. g. electronic payment instructions)

- 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;
- E-mail address for invoice submission:
- Local Eskom invoices: invoiceseskomlocal@eskom.co.za
- Foreign Eskom invoices: invoiceseskomforeign@eskom.co.za

NOTES:

- It is of the utmost importance, and it is expected from the Contractor(s) to send all original invoices directly to the above email addresses and not directly to any user. The Power Station will not be responsible for any invoice(s) delivered to users and not submitted for payment.
- If your Invoice is not submitted immediately after you have delivered goods or rendered a service, it might happen that you will only get paid within 90 days after receipt of your Invoice without Eskom paying any interest on late payment.
- For Foreign invoices, Contractor will still be required to physically deliver hard copies of original documents to the respective documentation management centres even though the Contractor have.

e-mailed those invoices (Eskom is still seeking clarity from the South African Reserve Bank regarding e-invoicing for Foreign Invoices or invoices in foreign currency. Current requirements are that these manual invoices should still be submitted. You can send the invoice copy to the email addresses indicated below).

- Tax Requirement
 - 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 Contractor / Supplier / Contractor 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 the Contractor's invoice the Employer recommend that the Contractor / Supplier / Contractor 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.
- Introduction of electronic invoicing does not guarantee payment but will ensure visibility of all invoices and ensure that no invoices get lost. If the Goods Receipt / Service Entry is not done the invoice will be parked and the system will automatically send an e-mail to the end user / contract manager to do the goods receipt/ service entry. This is also tracked by Eskom through the park invoice report.
- The Contractor can request a park invoice report from the Finance Shared Services (FSS) contact centre which can then be followed up and corrected. The Contractor Contractor are welcome to forward the details of invoices corrected to the FSS contact centre.
- Contractor do not require a Goods Receipt (GR) or Service Entry (SE) number to submit your invoices. When the GR / SE number is received the Contractor / Supplier / Contractor can then send the GR / SE number to the FSS contact centre.
- All queries and follow up on invoice payments should made by contacting the FSS Contact Centre:
 - Tel: 011 800 5060
 - e-mail: fss@eskom.co.za

Contract change management.

Not applicable

Inclusions in the programme

As defined on scope of work.

Health and safety, the environment and quality assurance

Health and safety risk management:

The Contractor shall also be required to compile a comprehensive SHE files with all the applicable documentation and appointments as per the requirements. The file will have to be approved by the Employer's Safety Department before any work on site may commence.

The Contractor must ensure that after the SHE file has been approved all his personnel which will work on site attend a Health, Safety and Environmental Induction Course presented at the Power Station free of charge prior to commencement with the Works.

Contractor shall provide his employees with appropriate protective equipment's to handle waste produced on at Komati Power Station,

Environmental constraints and management:

The Contractor shall comply with the environmental criteria and constraints.

Quality assurance requirements:

Inspections and monitoring shall be carried out on all the services to ensure that the quality of work is always maintained.

Procurement:

Supplier Development, Localisation, and Industrialisation (SDL&I)

BBBEE and referencing scheme.

The Contractor is required to submit the valid BBBEE Certificate.

Other constraints:

Signing of contract by both parties prior work commencement.

Preferred sub-Contractors:

Not applicable.

Subcontract documentation, and assessment of subcontract tenders:

Not Applicable

Limitations on subcontracting:

Not applicable

Attendance on Sub-Contractors:

Not applicable

Correction of Defects:

Not applicable

Working on the Employer's property:

Comply with Eskom Life Saving Rules and must attend Induction prior work commencement.

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

The Contractor must get permanent access cards at security. They must produce ID, medicals and induction forms.

People restrictions, hours of work, conduct and records:

The Contractor is to provide the service during weekly working hours.

Cooperating with and obtaining acceptance of Others:

The Contractor to communicate with the Employer's as and when required in writing.

Things provided by the Employer:

Water and ablution facilities

Cataloguing requirements by the Contractor:

Not Applicable

List of drawings:

Drawings issued by the Employer

Drawing number	Revision	Title
Not applicable		