

PART 2: PRICING DATA

NEC3 Supply Contract

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C2.1 Pricing assumptions

1. How goods and services are priced and assessed for payment

Clause 11 in NEC3 Supply Contract, (SC3) core clauses states:

Identified and defined terms	11 11.2	(11) The Prices are the amounts stated in the price column of the Price Schedule. Where a quantity is stated for an item in the Price Schedule, the Price is calculated by multiplying the quantity by the rate. (12) The Price Schedule is the <i>price schedule</i> unless later changed in accordance with this contract.
Assessing the amount due	50.2	The amount due is <ul style="list-style-type: none"> • the Price for each lump sum item in the Price Schedule which the <i>Supplier</i> has completed, • where a quantity is stated for an item in the Price Schedule, an amount calculated by multiplying the quantity which the <i>Supplier</i> has completed by the rate, • plus, other amounts to be paid to the <i>Supplier</i>, • less amounts to be paid by or retained from the <i>Supplier</i>. <p>Any tax which the law requires the <i>Purchaser</i> to pay to the <i>Supplier</i> is included in the amount due.</p>

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

2. Function of the Price Schedule

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

3. Preparing the *price schedule*

Items in the *price schedule* may have been inserted by the *Purchaser* and the tendering supplier should insert any additional items which he considers necessary. Whichever party provides the items in the *price schedule* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Goods and Services as described at the time of entering into this contract.

It will be assumed that the tendering supplier has

- Read Pages 8, 11, 12 and Appendix 5 of the SC3 Guidance Notes before preparing the *price schedule*.
- Included in his Prices and rates for correction of Defects (core clause 43.1) as there is no compensation event for this unless the Defect is due to a *Supplier's* risk.
- Spread the cost of doing work he chooses not to list as separate items in the *price schedule*

across other Prices and rates in order to fulfil the obligation to Provide the Goods and Services for the tendered total of the Prices.

- Understood that there is no adjustment to lump sum prices in the *price schedule* if the amount, or quantity, of work within that lump sum item later turns out to be different to that which the *Supplier* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event per clause 60.1.
- Understood that the *Supplier* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event.

3.1. Format of the *price schedule*

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

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

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

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

C2.2 the *price schedule*

Item nr	Description	Unit	Quantity	Rate	Price
1.	Procurement, fabrication, and supply of Seamless Tubes: A106 Gr B; L- 16m; OD - 63.5mm; WT – 2.03mm	Each	12 000	R	R
2.	Covering of 16m Tubes after stacking on site. The supplier will be required to stack tubes neat and cover all of them after delivery. Tubes to be packed on wooden pallets (Supplier will be required to provide a breakdown cost)	Sum	1	R	R
3.	Shipping of Primary Air Heater complete with associated infrastructure (Supplier will be required to provide a breakdown cost)	Sum	1	R	R
4.	Transport, load and off-loading of Unit 3 Primary Air Heater (Supplier will be required to provide a breakdown cost)	Sum	1	R	R
5.	PPE/Safety (Once off payment)	Sum	1	R	R

The total of the Prices

Note:

- The abovementioned tendered prices are exclusive of Value Added Tax, but inclusive of all costs related to the works.
- In case of discrepancy between each price and total, each price shall prevail.
- Fixed and firm prices for the duration of the contract period
- Suppliers to consider all hidden cost when pricing, also read the scope of works in conjunction with the Price of Bill.

Supplier:

Print Name

Signature

Date

HEALTH AND SAFETY / PPE PRICE LIST

Item	Description	Qty	Price each / person	Total price
1	Medicals (only if annual medical certificate expired)		R	R
2	Health and Safety File		R	R
3	Safety Training		R	R
4	Health and Safety Officer (if >40 employees)		R	R
5	Hard hats with strips (Hooked on the hats itself not inside)		R	R
6	Overalls		R	R
7	Gloves		R	R
8	Shoes (Safety boots)		R	R
9	Hearing protection		R	R
10	Safety goggles		R	R
11	Safety harnesses (with big hooks not small hooks)		R	R
12	Site Establishment		N/A	N/A
13	De-establishment		N/A	N/A
14	First Aid box for every 50 employees		R	R
15	Dust mask		R	R
16	Life save jacket		R	R
17	Welding gloves		R	R
18	Welding shield		R	R
19	Welding aprons		R	R
20	Covid-19 Requirements	N/A	R	R
TOTAL VALUE FOR HEALTH AND SAFETY FOR THE TOTAL CONTRACT PERIOD				

The above prices excludes VAT

* Training:

1. Includes Manual, Assessment Documents, Theoretical Training, Practical Training & Panel Test.
2. Receipt must be provided to the Instructor as proof of payment before training will commence.
3. Payments to be made to the Finance Department, Kendal Power Station. GL Account 750400 / CC 311407

It is compulsory for the Contractor to visit Kendal Safety Department after contract award and before any work may commence to:

1. be appointed in writing, and
2. sign an Agreement according to Section 37(2) of the Occupational Health and Safety Act No 85

Suppliers are not, under any circumstances, to deviate from the required stipulated format for the provision of pricing.

Supplier:

Print Name

Signature

Date