NEC3 Term Service Contract (TSC3)

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

and
(Reg No. _____)

for THE PREVENTATIVE AND CORRECTIVE MAINTENANCE AND CONTINUOUS OPERATING AND MONITORING OF ALL HEATING, VENTILATION, AIR CONDITIONING AND REFRIGERATION (HVAC&R) SYSTEMS AS WELL AS INSTALLATION OF DOMESTIC AND INDUSTRIAL AIR CONDITIONING AND REFRIGERATION SYSTEMS AT LETHABO POWER STATION FOR THE PERIOD OF FIVE (5) YEARS.

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CONTRACT No.

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:

The preventative and corrective maintenance and continuous operating and monitoring of all heating, ventilation, air conditioning and refrigeration (HVAC&R) systems as well as installation of domestic and industrial air conditioning and refrigeration systems at Lethabo Power Station for the period of Five (5) years.

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

[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*.

Tenderer's CIDB registration number:

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) **Karabo Rakgolela**

Capacity **General Manager**

for the Employer **Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**

(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		**Karabo Rakgolela**
Capacity		**General Manager**
On behalf of	*(Insert name and address of organisation)*	**Eskom Holdings SOC Ltd, Megawatt Park, Maxwell Drive, Sandton, Johannesburg, 2199**
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

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

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	
		X1: Price adjustment for inflation
		X2 Changes in the law
		X13: Performance Bond
		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 *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	**Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg**
	Tel No.	**011 800 8111**
10.1	The *Service Manager* is (name):	**TBA**
	Address	**Lethabo Power Station Private Bag X 415 Vereeniging 1830**
	Tel	

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

e-mail

11.2(2)	The Affected Property is	**Lethabo Power Station**
11.2(13)	The *service* is	**The preventative and corrective maintenance and continuous operating and monitoring of all heating, ventilation, air conditioning and refrigeration (HVAC&R) systems as well as installation of domestic and industrial air conditioning and refrigeration systems at Lethabo Power Station for the period of 5 years**
11.2(14)	The following matters will be included in the Risk Register	**Unavailability of Access to site due to road closure** **Unavailability of RP and PTW** **Unavailability of skilled resources** **Obsolesce of component** **Unavailability of ORHVS and PSR Training Classes** **Unavailability of access to Working Area**
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 *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	**12 hours during emergencies,** **2 working days for other requests during the normal operations in execution of the contract**
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	**One (1) week after kick-off meeting**
3	**Time**	
30.1	The *starting date* is.	**Date of last signature of the contract as agreed by both parties**
30.1	The *service period* is	**Five (5) years from Contract Date**
4	**Testing and defects**	To be managed as per core clause 4 of the NEC3 TSC
42.1	Notifying and correction of defects	The Contractor corrects a Defect whether or not the Service Manager notifies him of it.
42.2	Defects correction period is	Defect Correction Period is 52 weeks after the respective Task Order Completion Date
42.3	Access to site to correct defects	2 days after notification or to be agreed by both parties. The Service Manager arranges for the Employer to allow the Contractor access if it is needed for correcting a Defect

5	**Payment**	
50.1	The *assessment interval* is	**between the 25th day of each successive month. or will be done after Five (5) working days after completion of each Task.**
51.1	The *currency of this contract* is the	**South African Rand**
51.2	The period within which payments are made is	Thirty (30) Calendar days after the signed assessment by both Parties and a valid Tax Invoice. **ATTENTION**: Eskom's standard policy on payment term for all contracts valued above R50 000 0000 (Fifty Million Rand), including VAT, is 60 days. Bidders are requested to bear this payment term in mind when submitting bids and concluding contracts.
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**	All Compensation Events are to be managed as per core clause 6 of the NEC3 TSC
7	**Use of Equipment Plant and Materials**	To be managed as per core clause 7 of the NEC3 TSC
8	**Risks and insurance**	
80.1	These are additional *Employer*'s risks	risk assessment
9	**Termination**	To be managed as per core clause 9 of the NEC3 TSC
10	**Data for main Option clause**	
A	**Priced contract with price list**	**In C2.2**
20.5	The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than	Monthly (30 days) or as stated on the Task Order.
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).**

	Address	**To be known once the dispute arises**
	Tel No.	**To be known once the dispute arises**
	Fax No.	**To be known once the dispute arises**
	e-mail	**To be known once the dispute arises**
W1.2(3)	The *Adjudicator nominating body* is:	**the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.**
W1.4(2)	The *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	**Johannesburg, South Africa**
	The person or organisation who will choose an arbitrator - if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is	**the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.**

12 Data for secondary Option clauses

X1	**Price adjustment for inflation**	**Prices are fixed and firm for the first year and CPA will kick in for subsequent years as follows**
X1.1	The *base date* for indices is	**The base date is one month prior to the tender closing date.**
	The proportions used to calculate the Price Adjustment Factor are:	**Proportion** / **linked to index for** / **Index prepared by** **12%** / **Transport** / **SEIFSA L-1(B)** **3%** / **Material (Renting)** / **SEIFSA G-2A** **70%** / **Labour** / **SEIFSA C-3A** **15%** / **non-adjustable** **100%**
X2	**Changes in the law**	Becomes a Compensation Event only if the changes in the Law of the Republic of South Africa took place after the Contract Date.
X13	**Performance bond**	**10% of the Contract Value**

X13.1	The amount of the performance bond is	**The amount stated in the Contract Data and in the form set out In the Goods information.**
X17	**Low service damages**	**Capped at 10% of the Task Order Value**
X17.1	The service level table is	

Low Service Damages	Minimum percentage for low service damages	Limit of low Service Damages
Safety Incidents: Occupational Hygiene & Safety		
Not providing appropriate PPE (SABS approved & company brand/logo)	2.5% of the Task Order value	
No LTI may be incurred, unless it's proven beyond reasonable doubt (during investigation) that there was no form of negligence nor unsafe behaviour.	Two (2) or more safety incidents - 5% of the task order value will be charged.	Limited to a maximum of 5 safety incidents - **Removal of contractor from site.**
No contractor should contribute to another contractors' LTI	5% of the task order value will be charged from the defaulting contractor (on each incidence)	Limited to a maximum of 5 safety incidents - **Removal of contractor from site.**
Use of substandard tools/equipment or any form of machinery i.e., non-road worthy vehicles, uncalibrated tools, etc	Remove (tools/ equipment or any form of machinery) from site until defects have been corrected.	
Poor House Keeping:		
Failure to submit Gemba Walks report.	0,5% per day will be charged.	Limited to 2% of the Task Order value per month.
Failure to close Gemba walk Actions where its within contractors' control.	0.5% for weekly actions	Limited to 2% of the Task Order value per month.
Clean conditions of Working Space. **Adherence to House Keeping Checklist**	2% as and when housekeeping issues are identified.	Limited to 5% of the Task Order value.
Housekeeping during site de-establishment (working space/areas/yard) to be completed by contractor before leaving site. e.g. Removal of rubble, weeds, equipment,	5% of the task order value to be charged	

	containers, etc		
	Closing of NCRs: Rework (any work repeat) - 1st NCR to be issued, 2nd rework penalty applies.	5% of the task order value to be charged on 2nd rework.	If the reworks amount to 60% of the works, termination.
	Poor Quality of Work	5% of the Task Order value.	

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	**Total of the prices of the task order**
X18.3	The *Contractor*'s liability for Defects due to his design of an item of Equipment is limited to	**The greater of** • **the total of the Prices at the Contract Date and** • **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**
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	**the total of the Prices other than for the additional excluded matters.** **The *Contractor's* total liability for the additional excluded matters is not limited.** **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for** • **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	**5 years after the end of the *service period*.**
X19	**Task Order**	
X19.3	The delay damages in a Task Order	**2% per day up to a maximum of 15% of the Task**

		Order Value as part of the penalty for delays
X19.5	The *Contractor* submits a Task Order programme to the *Service Manager* within	**Within three (3) working days of receiving the Task Order**
Z	**The *additional conditions of contract* are**	**Z1 to Z16 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 *Contractor* to the *Employer*'s property	The replacement cost where not covered by the *Employer*'s insurance.

	The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the *Employer*'s insurance. The *Employer*'s policy deductible as at Contract Date, where covered by the *Employer*'s insurance.
The *Contractor*'s liability for 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	Loss of or damage to property The replacement cost Bodily injury to or death of a person The amount required by the applicable law.
Liability for 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	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 lir 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

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 means compliance sampling used to assess whether or not the personal exposure of

Monitoring 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 *Employer*'s 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.

Z15 Security Clearance/ Criminal Checks

These clauses are not only, but are especially, applicable for accessing critical infrastructure in terms of the Critical Infrastructure Protection Act, 2019 (previously referred to as National Key Points), but may include other sites, and/or where persons are rendering a service or have given notice of intention to render a service to an organ of state, which service may (1) give him or her access to classified information and intelligence in the possession of the organ of state; or (2) give him or her access to or information concerning areas designated as critical infrastructure.

Z15.1 The *Contractor* and its subcontractors implement risk and security management pro measures to mitigate any threats against any premises, installations or sites, information of the *Employer* with only persons with criminal verification record securi certificates being given access after verification of these and identifying docum *Employer*'s security system.

Z15.2 The *Contractor* provides, at the *Contractor*'s cost, to the *Employer,* criminal verific security clearance certificates for each person the *Contractor* or its subcontractors access any premises, installations or sites, systems, or information of the *Employer*, w their identifying documents, such as passports, before allowed such access by the *Er Employer* 's refusal to allow access to premises, installations or site/s, systems or info the *Employer*'s sole discretion and is not a compensation event.

Z15.3 The criminal verification record security clearance certificates provided are to have be a service provider which is to be a reputable screening company accredited by the S Police Services, are to be no older than four weeks since issue and valid for as l person is required to access premises, installations or sites, systems or information. T may require updated certificates and identifying documents every 26 to 52 weeks safety and security concerns and the risk rating of the works or services undert premises, installations or sites, systems or information.

Z15.4 If any such criminal verification record security clearance certificates is cancelled invalidated, amended, or expires, or a criminal conviction is noted against any pers access, even if an appeal against the criminal conviction has been noted, the *Proj* may instruct the *Contractor* to ensure that such person leaves the premises, installati and is blocked from systems and information and the giving of this instructi compensation event.

Z16 Protection of Personal Information Act Compliance

Z16.1 For the purposes of this clause, the terms "Data Subject", "Personal Information", "Proces "Regulator" and "Responsible Party" have the meanings given to them in the Pro Personal Information Act, 2013 ("POPIA").

Z16.2 Each Party acknowledges that it is an independent Responsible Party in relation to the Information processed in terms of this contract ("Shared Personal Information") a determines the purposes for which and the manner in which the Shared Personal Inform is to be, processed.

Z16.3 Each Party shall always comply with POPIA when performing its obligations under thi and shall not perform any of their respective obligations under this contract in such a cause the other Party to breach any of that other Party's obligations under POPIA.

Z16.4 Each Party shall ensure that, in respect of all Shared Personal Information provided to Party and in respect of the use of that Shared Personal Information under this contract:-

Z16.4.1 all necessary fair Processing notices have been provided to and consents obta Data Subjects by that Party, where required, in terms of POPIA, including to sp the other Party is also a Responsible Party in respect of the Data Subject's Information and to provide a link (for example, https://www.eskom.co eskom/website-terms-and-conditions/) to the other Party's Privacy Statem include a statement that the other Party's Privacy Statement can be found on Party's corporate website; and

Z16.4.2 all necessary steps have been taken to ensure that Shared Personal Inform been collected and processed in accordance with the principles set out i including in particular those relating to:

- lawful, fair and transparent Processing;
- specified, legitimate and explicit purposes of Pr and
- adequate, relevant and not excessive Processi

Z16.5 If either Party receives any complaint, notice or communication from the Regulator whi directly to:

Z16.5.1 the other Party's Processing of the Shared Personal Data; or

Z16.5.2 a potential failure by the other Party to comply with POPIA in respect of the a the Parties under or in connection with this contract,

it shall, to the extent permitted by law, promptly notify the other Party and provide such ir as it shall reasonably request in that regard.

Z16.6 If a Data Subject makes a written request to either Party to exercise any of their rig POPIA, the receiving Party shall respond to that request in accordance with POPIA. To the request concerns Processing of Shared Personal Information undertaken by the ot the receiving Party shall:

Z16.6.1 promptly and without undue delay forward the request to the other Party; and

Z16.6.2 cooperate and provide reasonable assistance in relation to that request to e other Party to respond in accordance with POPIA.

Z16.7 Each Party acknowledges that the other Party may disclose Shared Personal Informati Regulator or law enforcement authority with jurisdiction to request access to the Shared Information.

Z16.8 Neither Party discloses or otherwise makes available the Personal Information to any t (including sub-contractors, but excluding its authorised employees who require acces Personal Information strictly in order for the Parties to carry out their obligations pursu contract), unless a Party has provided, to a requesting Party, its prior written consent to c the requesting Party has submitted to the other Party (consenting Party), to its satisfactio of a written contract or undertaking that the requesting Party has entered into with a thir the protection of Personal Information of the Data Subjects or unless there is an exemption in terms of the law to process or further process the personal information.

Z16.9 The requesting Party indemnifies and holds harmless the consenting Party and successors, cessionaries, delegates, and assigns, from any and all losses, costs, expe damage, as well as penalties and fines arising from the requesting Party's non-complianc provision of any relevant legislation applicable to Personal Information or data protectio as damage to the consenting Party's reputation and costs of compliance as directe Regulator, including but not limited to publication of the data breach.

C1.2 Contract Data

Part two - Data provided by the *Contractor*

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 *Contractor* is (Name): Address Tel No. Fax No.	
11.2(8)	The *direct fee percentage* is The *subcontracted 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:	

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

Qualifications:

Experience:

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

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The *price list*	**[●]**

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;

- 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*

Refer to the attached list for the price of the Maintenance, Operating, Monitoring of HVAC&R Systems, and installation of domestic and industrial air conditioning and refrigeration systems

See below table for allowance of labour, Preliminaries, Time-related items, and Equipment.

	HVAC&R Systems				
	Description	**RATE**	**No of Resources**	**Hour per day**	
1	Maintenance and Continuous Operating and Monitoring of All Heating, Ventilation, Air Conditioning and Refrigeration (Hvac&R) Systems as well as Installation of Domestic and Industrial Air Conditioning				
	LABOUR RATE				
1	Supervisor - RATE PER HOUR – Rate Per Hour- NORMAL WORKING HRS	hr	1	8.30	
2	Artisan Refrigeration & Air Conditioning - RATE PER HOUR - NORMAL WORKING HRS	hr	5	8.30	
3	Supervisor - RATE PER HOUR - OVERTIME MON-SAT	hr	1	4.00	
4	Artisan Refrigeration & Air Conditioning - RATE PER HOUR - OVERTIME MON-SAT	hr	5	4.00	
5	Supervisor - RATE PER HOUR - OVERTIME SUN-PUBLIC	hr	1	4.00	
6	Artisan Refrigeration & Air Conditioning - RATE PER HOUR - OVERTIME SUN-PUBLIC	hr	5	4.00	
7	Standy Allowance of 10% normal rate	%	0.1		
	Preliminaries				
1	Health and Safety File	Annum	1		
2	Medicals	Annum	1		

3	PPE	Annum	1		
4	Site Establishment	Once	1		
5	Site De-establishment	Once	1		
Time Related Items					
1	Travelling	Km	350		
2	2x Offices	Month	2		
3	2x Change rooms	Month	2		
Equipment (Basic Hand Tools)					
1	Screw drivers	No	5		
2	Wrenches	No	5		
3	Pliers	No	5		
4	Tube cutters	No	5		
5	Thermostat screwdriver	No	5		
6	Step ladders	No	5		
Equipment (Electric Testing Tools)					
1	Multimeter	No	5		
2	Non-contact voltage tester	No	5		
3	Clamp meter	No	5		
Equipment (HVAC specific tools)					
1	Manifold gauge set	No	5		
2	Refrigerant recovery machine	No	2		
3	Vacuum pump	No	3		
4	Leak detectors	No	3		
5	Refrigerant scale	No	3		
Equipment (Cleaning equipment tools)					
1	Coil cleaning brushes and chemicals	No	5		
2	Fin combs	No	5		
3	Drain line cleaning tools	No	5		

The total of the Prices

PART 3: SCOPE OF WORK

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

C3.1: EMPLOYER'S SERVICE INFORMATION

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Description of the *service*

Executive overview

The preventative and corrective maintenance and continuous operating and monitoring of all heating, ventilation, air conditioning and refrigeration (HVAC&R) systems as well as installation of domestic and industrial air conditioning and refrigeration systems at Lethabo Power Station for the period of 5 years.

Employer's requirements for the *service*

- The Contractor is present and available on-site during the Employers working hours and suitable personnel perform standby as per an approved roster and report to site within 60 (sixty) minutes of a call out as and when required.
- The Contractor attends to plant breakdowns immediately and until these are fully rectified and completed, unless the Employer instructs otherwise, and both the Contractor and Employer agrees that the work may be re-planned for a later completion.
- The Contractor attends to complaints from clients regarding air-conditioning problems and keeps the clients informed of progress and completion.
- The Contractor provides all the necessary tools and equipment to provide the service. This includes all hand tools such as spanners, screw drivers, pliers and electrical / electronic and measuring tools / instruments including drilling machines drilling machines flukes and meggers etc.
- The Contractor cleans and removes any spares, used parts, materials and debris, dust and rubble arising from work done to ensure that the Employers premises are left in a clean condition afterward. Waste disposal is done in accordance with the Employer's site regulations.
- The Contractor ensures that supervisors and artisans each become authorised as a responsible person (RP), and Appointed person (AP) to fulfil the Employer's safety requirements for permit to work applications on HVAC&R plant and also safely isolating the plant. The Contractor utilises the Employers computerized system for this purpose unless such system is off-line. The permit requirements are as per the Employer's plant safety regulation procedure and authorization of the Contractor personnel is required within 4 (four) months of the contract start date.
- The Contractor provides cell phones for Supervisor and Artisans to enable prompt communication with the Employer and workers without any delay.
- The Employer provides replacement plant components and spares for servicing and repairs; however the Contractor is responsible to inform the Employer of spares requirements (provides specifications and quantities for the Employer's stock holding requirements).
- The Contractor provides emergency replacement plant components and spares for servicing and repairs where the spares are not stock items. The Contractor supplies the Employer with a quotation, for acceptance, for emergency spares. Emergency spares will be purchased.
- The Contractor conforms to all prevailing legal requirements of the republic of South Africa, Eskom SOC Limited and Lethabo Power Station Site legal Requirements.
- Any other act or procedure deemed necessary or applicable if the work includes some toxic and/or hazardous substances during normal and routine maintenance activities stipulated in this document. In this case the Contractor handles such hazardous substances in accordance with the applicable regulations and procedures and is disposed of by the Contractor in accordance with the applicable law.The areas to be maintained are Unit 1 to Unit 6 Main Plant as shown on the table below:

THE PREVENTATIVE AND CORRECTIVE MAINTENANCE AND CONTINUOUS OPERATING AND MONITORING OF ALL HEATING, VENTILATION, AIR CONDITIONING AND REFRIGERATION (HVAC&R) SYSTEMS AS WELL AS INSTALLATION OF DOMESTIC AND INDUSTRIAL AIR CONDITIONING AND REFRIGERATION SYSTEMS AT LETHABO POWER STATION FOR THE PERIOD OF FIVE (5) YEARS.

Unit 1	Unit 2	Unit 3
1. Equipment room 1 & 2 2. Unit Control room 3 & 4 3. MV/ LV Room 5 & 6 4. Station Control room 7 & 8 5. CPP 1 & 2 6. CPP Analyser & Equipment room 7. Auxiliary Services 8. Battery Room 9. C&I Workshop 10. Outage Management 11. Station Board	1. Electronic Workshop 2. Air Cond Workshop 3. MV/ LV Room 3 & 4 4. Tea & Change Room 5. CPP 1 & 2 6. CPP Analyser & Equipment room 7. Production Offices 8. Battery Room 9. Shift Man. Offices 10. C&I Workshop	1. Equipment room 1 & 2 2. Unit Control room 3 & 4 3. MV/ LV Room 5 & 6 4. C&I Workshop 5. CPP 1 & 2 6. CPP Analyser & Equipment room 7. EMS Support services 8. Battery Room 9. EMS Workshop 10. PTM Offices 11. EMS Training
Unit 4	**Unit 5**	**Unit 6**
1. EMS Offices 2. MMD Offices 3. MV/ LV Room 3 & 4 4. MMD Change Rooms 5. Production Offices 6. Battery Room 7. C&I Support Services 8. Perf Monitoring Offices	1. Equipment room 1 & 2 2. Unit Control room 3 & 4 3. MV/ LV Room 5 & 6 4. C&I Workshop 5. OPS Change room 6. Battery Room 7. Rotek Workshop 8. Performance Enhancement offices 9. MTW Kitchen	1. Equipment room 1 & 2 2. Station Cleaning 3. MV/ LV Room 3 & 4 4. OPS Training 5. OPS Production 6. Battery Room 7. DCC Archives 8. Open Offices

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
Contractor:	Service provider contracted for supplying specific service to Eskom, Lethabo Power Station.
Employer:	Eskom, or Eskom Lethabo Power Station
BS:	British Standard
BU:	Business Unit
EMS:	Environmental Management System
ISO:	International Standards Organisation
KKS:	Kraftwerk Kennzeichen System
LPG:	Liquid Petroleum Gas
NEC:	New Engineering Contract
NPSH:	Net Positive Suction Head
ORHVS	Operating Regulations for High Voltage Systems
PCLF:	Planned Capability Loss Factor
PM:	Plant Maintenance
PSR	Plant Safety Regulations
PTW:	Permit to Work
QA:	Quality Assurance
QC:	Quality Control
QCP:	Quality Control Plan
QMP:	Quality Management Programme
WPS	Welding Procedure Specification
SABS:	South African Bureau of Standards
SANS:	South African National Standards
SAP PM:	SAP Plant Maintenance
SAP:	Systems, Applications, Products (Plant Maintenance, Procurement, Finance and Materials Management) integrated maintenance management system.
SOW:	Scope of Work
STEP:	Station Thermal Efficiency Program
UCF:	Unit Capability Factor
UCLF:	Unplanned Capability Loss Factor

Management strategy and start up.
The *Contractor*'s plan for the *service*

- To be discussed before each task can be carried out between the Contractor and Employer
- Programme to be supplied on request on a signed hard copy as well as a soft copy, see Scope of Work
- The Contractor can start work after the Purchase Order has been issued, unless given Instruction by the Service Manager

Management meetings

There will be planning meetings held by (the employer and service providers) when there is works required, on planning how long will the works take.
Safety meetings are also held on an and as when required basis to ensure safe working environment.
Prior to invoicing, the service provider and the service manager will have a meeting where the assessment will be reviewed, based on the works completed in the plant.

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

All meetings shall be recorded using, virtual, 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

- As per scope of work
- All staff to be qualified, trained and competent to execute scope of work

Provision of bonds and guarantees

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

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

Documentation control

The Contractor is responsible to have the following documentation available on site in accordance with LBA 00030:

- A copy of the OHS Act.
- Copies of all site accident report forms as required by the OHS Act.
- Copies of minutes of health and safety meetings held on site.
- Copies of inspection reports produced by the accident prevention officer.
- Copies of attendance registers for all incidents or work stoppages

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 Contracto*r* shall address the tax invoice to

_____

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;
- (add other as required)

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

Contract change management

The change management process to be followed as per the core clause 16.1. Any verbal instruction/communication must be backed with a written instruction; the use of minutes, letters or emails is accepted. Any communication must go through the *Purchaser*'s manager.

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

N/A

Insurance provided by the *Employer*

As per TSC3 Core Clause 86.1.

Training workshops and technology transfer

All contractor personnel to do induction training before entering the Employers site and commencing work.

Design and supply of Equipment

Not applicable.

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

Equipment

N/A

Information and other things

- All Reports / Documents to be compiled, filed, discussed, and handed over to the Employer (will be announced by Employer) and at the end of the service.
- On Completion of contract the Contractors safety file will be hand over to the Service Manager and will be saved for 40 Years after completion / termination of the contract
- Contractor is Responsible to ensure that his Letter of Good standing is always valid as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10 Contractor will not be allowed on site if his letter of good standing is not valid
- As per clause 70.2 to provides other things as stated in the Service Information
- The Contractors Health and safety file is to be submitted for approval to the Employer 's Safety Officer before contract commencement and must be kept up to date at all times

- MSDS for handling all chemicals are needed.

Management of work done by Task Order

- A Task Order is the instruction to commence work.
- No work shall commence until Task Order is issued and has been finalised and accepted and signed by both the Employer and Contractor.
- All work will be issued via SAP Maintenance or as per Task /Purchase Order system. The Work Order, Purchase Requisition and Purchase Order will be created via the SAP PM system.
- Task orders, Assessments with all supporting documentation and Completion Certificates will be used for work required.

Health and safety, the environment and quality assurance

Health and safety risk management

The Contractor shall comply with the health and safety requirements contained in Annexure SHE Specification 14RISK SRM – 084 to this Service Information.

- All The Employer's health and safety procedures and regulations to be adhered to by the Contractor
- A SHEQ file to be handed in at the SHEQ department for approval prior to wok commencement and kept up to date for the duration of the contract

SHEQ Policy

Employer's SHEQ Policy

The Employer has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of service justifies exposing anyone to negative risks arising from the Employer's business.

Compliance with the SHEQ Policy and applicable regulations is the responsibility of every employee and Contractor.

Contractor SHEQ Policy

All Contractors shall have an OHS policy signed by the CEO of the Contractor and prominently displayed where employees normally report for duty.
Signed copy of the OHS policy shall form part of the SHEQ file.

SHE PLAN REQUIREMENTS: -

- Principal Contractors shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plans must be pre-approved by the client for implementation. The principal Contractor/Contractor has a responsibility to send the SHE plans to the client for approval prior to commencement of work.
- The SHE plans must be applied from the commencement of and for the duration the construction work, which must be updated /reviewed as the work progresses/changes.

When a principal Contractor intends appointing Contractor, the principal Contractor shall ensure that the Contractor provides and demonstrate a suitable, sufficiently documented and coherent site-specific health and safety plan, based on the client's SHEQ specifications and scope of work.

3.1.1. Health and Safety Arrangements

The Contractor ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date, and annual re- induction. The Induction Course is presented by the Employer's Safety Risk

Department at Lethabo Power Station. Arrangements are made with Safety Risk Management, by the Contractor.

The Employer's Safety Risk Manager visits and inspects the Contractor's workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The Service Manager may instruct the Contractor to stop work, where the Contractor's personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The Service Manager may instruct the Contractor to discipline his employees and to submit a disciplinary action report to the Service Manager. The Contractor implements additional health and safety precautions where necessary.

Health and safety

The Contractor complies with the Occupational Health and Safety Act 85 of 1993, as well as the Employer's procedure as stipulated below:

- SHEQ Policy 32-727
- The Employer's Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the Employer's Commercial Process 32-726
- Contractor Health and Safety Requirements 32-136
- Integrated SHE Organization; Roles and Responsibilities and Statutory Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- The Employer's Vehicle Safety Specifications 32-345
- Lethabo Contractor SHEQ Specifications 14RISK SRM – 084

The Contractor acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

The Contractor undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

Do safety audits at the Contractor's premises, its workplaces and on its employees;

Refuse any employee, sub-Contractor or agent of the Contractor access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHS ACT.
Issue the Contractor with a work stop order or a compliance order should the Employer's become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the Contractor or any of its employees, sub-Contractors or agents.

The Contractors Health and safety file is to be submitted for approval to the Employer's Safety Officer before contract commencement.

All work stoppages called by the Employer to be adhered to

Contractor is Responsible to ensure that his Letter of Good standing is valid at all times as stipulated in the construction regulations point 7 (C) (iv) and she specifications 2.5.2 (iv) and 3.10..Contractor will not be allowed on site if his letter of good standing is not valid

3.1.2 First aid and fire fighting

Adequate first aid and firefighting equipment to be provided by the Employer.
All Contractor personnel must have First aid and firefighting training Fire extinguishers to be provided by the Contractor.

3.1.3 Fire Precautions

Any tampering with the Employer's fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards is kept free of obstruction and are not used for work or storage at any time. Fire-fighting equipment must remain accessible at all times.
The Contractor takes the necessary action to safeguard the area to prevent injury and the spreading of the fire.

3.1.4. Security, fire protection and safety

The Contractor shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required

3.1.5. Fire protection

The provision of Employer's standard NWS 1494 "Fire Prevention and Protection of Contractor's premises at New Works sites" shall be applicable.

3.1.6 Safety and incident prevention

The Contractor shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the Lethabo SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

- Incident Management, Corrective & Prevention Action Procedure to be adhered to – 14Risk IM PC- 019

3.1.7. Reporting of accidents

The Employer follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The Contractor is expected to fully co-operate to achieve this objective. The Service Manager must be informed immediately of any incidents. A written report to be submitted to the Employer within 24 Hours of incidents and any damage to property or equipment.

NOTE! This report does not relieve the Contractor of his legal obligations to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.

3.1.8 Occupational Health and Safety Act 85 0f 1993 – SECTION 37

In accordance with Section 37 (2) of the Act, the Contractor is appointed by the Employer as mandatory to assume Health and Safety duties and responsibilities. The Contractor ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The Contractor acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The Contractor undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

3.1.9 The Contractor appoints a person who liaises with the Employer's Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:

- Supply the Employer's Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.
- Supply the Employer's Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify the Employer's Safety Officer of any changes thereto.

The Employer may, at any stage during the duration of this contract:

- perform safety audits at the Contractor's premises, its workplace and its employees;
- refuse any employee, Subcontractor or agent of the Contractor access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the Contractor with an instruction to stop work should the Employer become aware of any unsafe working procedure or condition or any non - compliance with the Act, Regulations and Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the Employer's Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no amendments to the act or the Regulations or reasonable amendment to the Employer's Safety and Operating Procedures will entitle the Contractor to claim any additional costs or time incurred in complying therewith, from the Employer

3.1.10 Safety Regulations of the Employer

- The Contractor conforms to the Employer's Plant Safety Regulations
- The Employer makes available to the Contractor, on request, a copy of the latest revision of the Plant Safety Regulations.

Environmental constraints and management

Contractor to be familiarized with Lethabo Environmental statement of commitment (PS010)

SHE File to be approved by the Environmental Department.

Contractor shall submit an Aspect and Impact Register that complies with the ISO 14001:2015 standard.

Contractor shall submit an Environmental Management Plan (EMP) associated with its significant risks, EMP shall comply with the ISO 14001:2015 standard.

Contractor shall familiarise him/herself with the Environmental procedures related to the activity (Waste Management procedure LBE 22004PC and Environmental Spill management LBE22005)

Self-audits during work execution will be conducted weekly whereby environmental risks are identified.

Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department.

All oil shall be removed from the gearbox prior to transportation to minimise risk of oil spillages

Oil must be drained into designated containers for waste oil and transported to the temporary hazardous waste site.

Quality assurance requirements

RISK	MITIGATING FACTORS	LEVEL (HIGH/MEDIUM/LOW)
Costs: Maintenance Activities, i.e., Preventative maintenance activities and unplanned breakdowns/defects.	The Contract Manager to ensure no overtime is worked for the planned maintenance activities. This is to avoid unnecessary costs to the employer. However, for breakdown which results in plant shutdown or load losses and where immediate repairs is necessary overtime shall be allowed. The contract manager shall be responsible to manage and control the overtime.	Low
Scope: Work according to provided scope of work.	The contract supervisor to ensure that the task executed is aligned to the scope provided and that the scope is completed successfully before any payment is processed.	Low
People: Poor Workmanship due to incompetence of Contractor personnel.	The Contract Manager / Supervisor to ensure that the service provider has skilled and experienced resources, with the required knowledge, skills, and expertise for the execution of the maintenance activities to be executed w.r.t scope of this contract.	Low
Suppliers: Unsuccessful work execution due to lack of expertise from the supplier.	Only suppliers which will meet 70% on the technical evaluation will be considered.	High
Time: Delay in execution of the task order within the prescribed period, i.e., replacement of damaged cabling, junction boxes, labelling, etc.	2% per day up to a maximum of 15% of the task order value per each complete day of delay. Time will be one of constrains that will be highlighted in the contract and the contractor will have to plan their resources accordingly.	Low
Quality: Equipment breakdown due to poor maintenance will lead to disruption of operations, safety risks from loss of ventilation, increased repair costs, and reduced equipment lifespan	Implement and maintain routine week structured preventive and corrective maintenance plan and monitoring system	Medium
Use of non-certified personnel or parts leading to compromised equipment performance	Ensure that all personnel performing installation, maintenance, repair, inspection, and testing of HVAC&R systems are qualified, certified, and experienced in air conditioning, ventilation, and refrigeration work	Medium
Inaccurate maintenance records leading to loss of maintenance history, poor decision-making	Records of completed work must be submitted to Routine Work Management for capturing and processing in SAP	Medium
Failure to manage Non-Conforming Outputs may lead to the delivery of defective or substandard products, rework, project delays, increased costs	Eskom shall be informed of non-conforming products and services as soon as such non-conformances are recognized by the supplier. The supplier shall implement the respective processes which must adequately reflect Eskom involvement.	Medium

Failure to include necessary returnable or adhere to the tender requirements may result in delays from the bidding process.	The following Quality requirements shall be noted and adhered to. • 240-68099512 Form A: The tenderer must complete and sign this form to acknowledge and accept Eskom Supplier Quality Requirements as per QM 58 Specification and ISO 9001 Standard • Category 1 - Quality Assessment Criteria QM 58_240-105658000 – Supplier Quality Management Specifications	Medium
Safety:	1. The successful contractor shall be expected to have OHS system that is aligned to the clients. 2. The contractor shall be expected to conduct task risk assessment and pre-job briefs every time before performing work. 3. The contractor must ensure that they align themselves with the requirements of PTW wherever it is issued. 4. Strict adherence to the PPE requirement by the contractor 5. The contractor shall prepare a Safety file for approval by Safety Risk Management before work commences. 6. Adherence to vehicle maintenance plans and daily/pre-trip inspections 7. Strict adherence to travelling task risk assessment 8. The contractor to ensure that the employees are trained and competent on the activities to be done.	High
Environment: Incorrect waste disposal	Contactor to be familiarized with Lethabo SHEQ Policy Contractor to be ISO14001:2015 Compliant Upon commencement of work contractor shall submit: An Aspect and Impact Register that complies with the ISO 14001:2015 standard. With adequate controls for managing the impacts of gas. Contractor shall submit an Environmental Management Plan (EMP) associated with environmental risks related to the project, EMP shall comply with the ISO 14001 standard. Contactor shall familiarise him/herself with the	

	Environmental procedures related to the activity. Self-audits during work execution will be conducted weekly whereby environmental risks are identified. Environmental awareness to be conducted through toolbox talks All waste generated during execution of work must be disposed through proper pathways. Contractor shall report all incidents or risks whilst on the job to the Eskom Project leader who will inform the environmental department. Contractor shall comply to the following environmental procedures: • LBE23003 Environmental non-conformance; investigation and reporting • LBE22005 Environmental spill management procedure • LBE22004 Environmental waste management procedure	

Procurement

There is a cross reference from the core clause 11.2(6) definition of Disallowed Cost to the Service Information regarding procurement procedures. This part of the Service Information MUST include any such procedures to be able to administer Disallowed Cost.

People

Minimum requirements of people employed

As per the scope of work

BBBEE and preferencing scheme

As per the SDL&I requirements

Step 3 – Supplier Development Localisation& Industrialisation

Designated Sectors

When applicable the following stipulated minimum threshold for Local Production and Content must be achieved in full by the tenderer

	YES	NO
a) Is this Commodity or part of it a Designated Sector?	☑	☐

Please indicate below Designated Components

Commodity	Components	Local Content Threshold
Fasteners	Bolts, nuts, rivets and nails	100%
Joining /connecting Components	Gussets, cleats, stiffeners, splicers, cranks, kinks, doglegs, spacers, tabs, brackets	100%
Fabrication Structural Steel	Latticed steelwork, reinforcement steel, columns, beams, plate girders, rafters. Bracing, cladding supports, stair stringers & treads, ladders, steel flooring, floor grating, handrailing and balustrading, scaffolding, ducting, gutters, launders, downpipes and trusses.	100%

The tenderer must complete, sign and submit the following **mandatory r**eturnable for designated products:

- Annexure C (Local Content Declaration - Summary Schedule).
- Annexure D (Imported Content Declaration - Supporting Schedule to Annex C).
- Annexure E (Local Content Declaration - Supporting Schedule to Annex C).
- SBD6.2 (Certificate for declaring local content and production).

NB: A tender needs to submit minimum stipulated threshold for local production.

SDL&I Objectives in line with Reconstruction and Development Programme (RDP) Goal

Tenderers who complete and submit the objectives as required, but who do not meet Eskom's targets, will not be disqualified. SDL&I objectives do not form part of scoring, but commitments will form part of contractual obligations

Note: SDLI objectives shall be sourced from previously disadvantaged Communities around Sedibeng and Fezile Dabi District Municipalities.

3.1. Transformation – BBBEE Improvement or Retention Plan

Transformation remains an area of focus, where Eskom continuously strives to align itself with national transformation imperatives to unlock growth, drive industrialization, create employment and contribute to skills development. Eskom encourages its suppliers to constantly strive to improve their B-BBEE rating. Whereas Tenderer/s will be allocated points in terms of a preference point system based on specific goals, Eskom also requests that tenderer/s submits their B-BBEE improvement or retention plan within 30 days of signing the contract.

Tenderer/s are therefore requested to indicate the extent to which they will maintain (only if the respondent is a Level 1) or may improve/maintain their B-BBEE status over the contract period if their B-BBEE status is level 2 or 3. Tenderer/s with a B-BBEE status level 4 at the time of contract award, shall migrate and achieve as a non-negotiable a milestone of B-BBEE Level 3 by the end of the first year of the contract and thereafter improve their B-BBEE status level or migrate by one level higher. Tenderer/s with a B-BBEE recognition status of Level 5 to Level 8 or non-compliant at the time of contract award, shall

migrate and achieve as a non-negotiable a milestone of Level 4 by the end of the first year of the contract and thereafter improve at least one B-BBEE Level higher of each year from the second year of the contract. Tenderer/s are requested to submit their B-BBEE Improvement Plan as an essential document within 30 days of signing the contract.

NB: A valid B-BBEE certificate or Sworn Affidavit is a condition for contract award, if your company's annual Total Revenue is R10 Million or less you qualify as an Exempted Micro Enterprise therefore you can submit Sworn Affidavit. If your annual Total Revenue is R50 Million or less, you qualify as Qualifying Small Enterprise and must comply with all of the elements of QSE score card relevant to your sector unless an entity is at least 51% Black owned you are required to obtain a Sworn affidavit. If your Annual Total Revenue is above R50m you need to submit a Valid B-BBEE certificate.

3.3. Local Procurement Content

"Local Procurement Content" refers to value added in South Africa by South African resources. Where a single contract involves a combination of local and imported goods and/or services, the tender response must be separated into its components as per the Price Schedule included with the tender documents. Local procurement content is total spending minus the imported component.
Tenderers are required to submit their proposals in the table below.

	Eskom target	Tenderer Proposal
Local Procurement Content	100%	

Procurement spend on entities with a minimum 51% black ownership.

The tenderer will subcontract some of the SOW to the designated suppliers i.e. EME / QSE with at least 51% BO. The designated suppliers should not be part of their subsidiaries or having shares in that company, preferable they should be selected from local to site and shall be as follows:

Procurement from Designated Group	Eskom Target	Tenderer Proposal
Black Owned	5%	

The following are tender returnable.

- Proof of a sub-contract agreement/s OR
- Letter of intent to subcontract.

Potential scope to be subcontracted and/or outsourced:

- PPE
- Transportation of actuators to and from site (Lethabo PowerStation)

3.4. Jobs. Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Type of Jobs to be created	Number of Jobs to be created

Type of Jobs to be retained	Number of Jobs to be retained

3.5. Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom's core, scarce and critical skills and the scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from all provinces in the country, and their composition shall be representative of the population demographics of South Africa

Skill type / Occupation	Eskom target	Entry Level	Output	Tenderers Proposal
Electrical Engineer (Bursaries to the local to site community)	3	Matric/N3	Trade Test Certificate	

The process of developing these skills shall involve the participation by tenderers directly and through their supply network. In certain cases, the SETA's accredited training providers can be approached to participate in developing critical and scarce skills.

Note: That these targets for skills development candidates categorically exclude Eskom employees and registered learners. The tenderers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach their relevant SETAs to access grants, subsidies, and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives.

Section 6: SDL&I Penalty and Performance Security

Eskom will apply a penalty of 2.5**%** of the Contract Value for failure to meet SDL&I obligations. For the duration of the contract, Eskom will retain 2.5**%** of every invoice (excluding VAT) as security for the fulfilment of all SDL&I Obligations. The retained amounts shall only be released to the Contractor upon fulfilment of all SDL&I obligations by the contractor

General Information on Validity of Sworn Affidavits

The following must be considered when it comes to validity of Affidavits;

Tenderers submitting B-BBEE Sworn Affidavits must ensure that the affidavits meet the following key pointers to ensure their validity:

- Name/s of deponent as they appear in the identity document and the identity number.
- Designation of the deponent as the **director**, **owner** or **member** must be indicated in order to know that person is duly authorised to depose of an affidavit. **(Mark the applicable option).**
- Name of enterprise as per enterprise registration documents issued by the CIPC, where applicable, and enterprise business address.
- Percentage of black ownership, black female ownership and designated group. In the case of specialised enterprises as per Statement 004, the percentage of black beneficiaries must be

reflected. (**No blank spaces to be left**).

- Indicate total revenue for the year under review and whether it is based on **audited financial statements** or **management account**. **(Mark the applicable option).**
- Financial year end as per the **enterprise's registration documents**, which was used to determine the total revenue. (Financial year end to be stipulated by **day/month/year).**
- B-BBEE Status level. An enterprise can only have one status level. **(Tick applicable level)**
- Empowering supplier status must be indicated. For QSEs, the deponent must select the basis for the empowering supplier status.
- Date deponent signed and date of Commissioner of Oath must be the same. **(The sworn affidavit must be signed in the presence of the Commissioner of Oath. Furthermore the Commissioner must also sign and stamp)**
- Commissioner of Oath cannot be an employee or ex officio of the enterprise because, a person cannot by law, commission a sworn affidavit in which they have an interest.

Reporting and monitoring

- The suppliers shall on a quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 30 (thirty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.
- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.
- Every contract shall be accompanied by the SDL&I Implementation Schedule, which must be completed by the suppliers and returned to SDL&I representative for acceptance 28 days after contract award. This will be used as a reference document for monitoring, measuring and reporting on the supplier's progress in delivering on their stated SDL&I commitments

Suppler Development Localisation & Industrialisation (SDLI) Obligations

Note: SDLI objectives shall be sourced from previously disadvantaged Communities around Sedibeng and Fezile Dabi District Municipalities.