



NEC3 Term Service Contract (TSC3)

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

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

for Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

Contents:	39 pages
Part C1 Agreements & Contract Data	[•]
Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]

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CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[•]
C1.2a Contract Data provided by the <i>Employer</i>	[•]
C1.2b Contract Data provided by the <i>Contractor</i>	[•]
C1.3 Proforma Guarantees	[•]

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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:

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

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

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

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

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

Signature(s)

Name(s)

Capacity

For the tenderer:

(Insert name and address of organisation)

Name & signature of witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)		Matla Power Station
Name(s)		Private Bag X5012
Capacity	General Manager	Kriel,2271
for the Employer	Eskom Matla Power Station	
	(Insert name and address of organisation)	
Name & signature of witness		Date

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

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

Note:

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

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

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

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

For the tenderer:

For the Employer

Signature		
Name		
Capacity		
On behalf of	<i>(Insert name and address of organisation)</i>	Matla Power Station Private Bag X5012 Kriel, 2271
Name & signature of witness		
Date		

C1.2 TSC3 Contract Data

Part one - Data provided by the Employer

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

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

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

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option and secondary Options	A: Priced contract with price list W1: Dispute resolution procedure
		X1: Price Adjustment for Inflation
		X2: Changes in the Law
		X13: Performance bond
		X17: Low Service Damage
		X18: Limitation of Liability
		X19: Task Order
		Z:Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	[•]

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

	Fax No.	[•]
10.1	The <i>Service Manager</i> is (name):	
	Address	Eskom Holdings SOC LTD Matla Power Station Private Bag X 5012 KRIEL 2271
	Tel	017 612 6381
	Fax	
	e-mail	
11.2(2)	The Affected Property is	Matla Power Station (Ash and Dust Plant)
11.2(13)	The <i>service</i> is	Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station
11.2(14)	The following matters will be included in the Risk Register	Access to site Health and safety risks to staff, contractors and visitors Environmental risks including Statutory compliance Unprotected strike
11.2(15)	The Service Information is in	Part 3: Scope of Work and all documents and drawings to which it makes reference.
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	Within 24 Hours for emergency Within 3 days for Production Within 5 days or other Contractual matters
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	2 Weeks after effective Contract date
3	Time	
30.1	The <i>starting date</i> is.	
30.1	The <i>service period</i> is	Five (5) years/ 60 months
4	Testing and defects	All Testing and Defects are to be managed as per core clause 4 of the NEC3 TSC. Defect date is 52 weeks after completion of each task order.

The defect correction period is 2 weeks, or any other period agreed between the parties

5	Payment	
50.1	The <i>assessment interval</i> is	Assessment will be done as per the task order completion.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	<p>Thirty (30) Calendar days after the signed assessment by both Parties and a valid Tax Invoice.</p> <p>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</p>
51.4	The <i>interest rate</i> is	the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands
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 <i>Employer's</i> risks	<ol style="list-style-type: none"> 1. [•] Unprotected Strike 2. [•] 3. [•]
9	Termination	To be managed as per core clause 9 of the NEC3 SC.
10	Data for main Option clause	
A	Priced contract with price list	
20.5	The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the <i>service</i> at intervals no longer than	As and when required.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the

Commented [PM3]: This was mentioned on the Risk Register

		Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
Address		South Africa
Tel No.		[•]
Fax No.		[•]
e-mail		[•]
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	arbitration
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Johannesburg, South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the arbitration procedure does not state who selects an arbitrator, is	
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	
X1.1	The <i>base date</i> for indices is	The month before the month in which the Enquiry closes.
	The proportions used to calculate the Price Adjustment Factor are:	
		proportion linked to index for Index prepared by
		0. [•] [•]
		0. [•] [•]
		0. [•] [•]
		15% non-adjustable
		100%
X2	Changes in the law	is a compensation event if it occurs after the Contract Date.
X17	Low service damages	To be managed as per clause X17 of the NEC3 TSC.
X17.1	The <i>service level table</i> is in	

X18	Limitation of liability	To be managed as per clause X18 of the NEC3 TSC.
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	Not Applicable
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	<p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <p>Defects due to his design, plan and specification,</p> <p>Defects due to manufacture and fabrication outside the Affected Property,</p> <p>loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials),</p> <p>death of or injury to a person and infringement of an intellectual property right.</p>
X18.5	The <i>end of liability date</i> is	3 Month after the end of the <i>service period</i>.
X19	Task Order	Refer to Clause X19 of the NEC3 TSC
X19.3	Delay Damages	% per day and limited to % of each Task Order
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	5 Days of receiving the Task Order
X20		
Z	The <i>additional conditions of contract</i> are	Z1 to Z14 always apply.

Commented [PM4]: Specify the %

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

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- 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.

Insurance by the Employer

86
86.1 The *Employer* provides the insurances stated in the Insurance Table B

Z13 Nuclear Liability

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

Z14 Asbestos

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

- AAIA** means approved asbestos inspection authority.
- ACM** means asbestos containing materials.
- AL** means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
- Ambient Air** means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
- Compliance Monitoring** means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.

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OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
Standard	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
SANAS	means the South African National Accreditation System.
TWA	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

Annexure B: Table of low service damages (X17)

• Low Service Damage Description	• Value of Low Service Damages	• Limit of Low Service Damage
• Failure to adhere to the QCP	• 5% of Task Order value	• Limited to 10% of the Task Order value
• Rework due to poor workmanship.	• 5% of Task Order value	• Limited to 10% of the Task Order value
• Daily Progress Updated Programme.	• 3% of Task Order value	• Limited to 10% of Task Order Value
• No response of NCR within 3 days	• 5% of Task Order value	• Limited to 10% of Task Order Value
• Failure to address housekeeping in the plant or workshop	• 3% of Task order value	• Limited to 10% of Task Order Value
• Failure to apply safety rules which results in an injury or LTI	• 3% of Task order value	• Limited to 10% of Task Order Value

X20

KPI	Intent of KPI	Year-On Year Target Requirement	Initial Year Performance Target
Failure of the rubber lined equipment prematurely (less than 6 months)	Ensure plant availability	<10% of emergent work added during the work week	<10% of emergent work added during the work week
Mean Time To Repair during plant break down	1. Measurement of Planned durations vs Actual durations of maintenance interventions	100% compliance to baselined durations	100% compliance to baselined durations
NCRs Accepted / Repeat Findings (Quality Department Stats)	1. Continuous improvement & error prevention	< 1 annually	< 4 within first year

VESSEL AND PIPING RUBBER LINING SERVICES FOR WATER TREATMENT PLANT (WTP) AND SLURRY PLANT FOR A PERIOD OF FIVE (5) YEARS ON AN AS AND WHEN REQUIRED BASIS AT MATLA POWER STATION

Housekeeping (Service Manager's discretion)	1. Workshop and plant should kept clean and with no spares laying around 2. Where work is in progress, equipment and spares should be adequately placed within good housekeeping prescripts.	Sustained at 100% compliance for state of plant within Contractor's control.	Sustained at 100% compliance for state of plant within Contractor's control.
Percentage Rework	1. Ensure high standard of workmanship quality 2. Address root causes which result in recurring failures 3. Reduces/ eliminates CMs	30%	30%

C1.2 Contract Data

Part two - Data provided by the Contractor

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

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

Notes to a tendering contractor:

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

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

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%

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

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:
	Qualifications:
	Experience:
	CV's (and further key person's data including CVs) are in _____ .
A	Priced contract with price list
11.2(12)	The <i>price list</i> is in
11.2(19)	The tendered total of the Prices is R
C	Target contract with price list
11.2(12)	The <i>price list</i> is in
11.2(20)	The tendered total of the Prices is R
E	Cost reimbursable contract
11.2(12)	The <i>price list</i> is in

C1.2 Contract Data

Part two - Data provided by the Contractor

Clause	Statement	Data
10.1	The Contractor is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is	%
	The <i>subcontracted fee percentage</i> is	%
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the 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: Qualifications: Experience:	
CV's (and further key person's data including CVs) are in .		
A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in	
11.2(19)	The tendered total of the Prices is	R

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	<p>(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.</p> <p>(17) The Price for Services Provided to Date is the total of</p> <p>the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and</p> <p>where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.</p> <p>(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.</p>

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.

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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

Description	Specification of material / spares / equipment	Unit	Quantity	Rate	Amount
Preliminaries and General					
Site establishment		Item	1		
Safety Requirements (Safety file, PPE and Medicals)		Item	1		
Supervisor		Hrs	800		
Safety officer		Hrs	800		
Quality control officer		Hrs	800		
Rigger		Hrs	800		
Truck driver		Hrs	800		
Forklift operator		Hrs	800		
Forklift		Day	100		
Compressor		Day	100		
14 seater transport		Day	100		
Accommodation		Day	100		
Site de-establishment		Item	1		
Consumables		Item	1		
Vessels and piping rubber lining					
Vessels Full/partial/patch repair rubber lining including primer and adhesives	Pre-cured Butyl Rubber Lining (Grade B): 50 - 70 IRHD,6mm	m2	140		
Vessels Full/partial/patch repair rubber lining including primer and adhesives	Pre-cured Butyl Rubber Lining (Grade B): 50 - 70 IRHD, 4.8mm	m2	120		

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

Vessels Full/partial/patch repair rubber lining including primer and adhesives (Slurry plant mixers and AWRSE tank)	Chloroprene Rubber Lining 6mm	m2	240		
Vessels rubber lining for brackets and supports including primer and adhesives	Pre-cured Butyl Rubber Lining (Grade B): 50 - 70 IRHD, 2-3mm	m2	26		
Vessels rubber lining for brackets and supports including primer and adhesives (Slurry plant mixers and AWRSE)	Chloroprene Rubber Lining 2-3mm	m2	24		
Vessel grit blasting	SA 3 (ISO 8501-1), Dust quality rating 1, Blast profile as per rubber system manufacturers recommendations	m2	500		
Vessel hand grinding for (rubber patch repairs)	Grade St 3 (ISO 8501-1)	m2	500		
Piping rubber removal		m2	500		
DN 80 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 65 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 50 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

DN 100 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 150 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 200 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 250 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
DN 400 Carbon Steel Rubber Lined Pipeline, PN10, flanged as per SANS 1123/BS4504. Pipe to be rubber lined with 4 mm 40 Shore A butyl Grade B Rubber Internally 3/6.9 m length.	4mm butyl rubber, 40 Shore A	m	125		
Piping Pick up and delivery to and from site	10 ton per load flatbed	No.	50		
Vessel rubber lining pre-inspections	Visual, hardness and spark testing.	No.	10		
Stripping of rubber from inside vessels		m2	500		
TOTAL					

ESKOM HOLDINGS SOC Ltd

CONTRACT NUMBER _____

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

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C3.1: EMPLOYER’S SERVICE INFORMATION

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Description of the service

Executive overview

1. Executive Overview

This document covers the engineering requirements in the form of a scope of work for the maintenance of the Ash and Dust Handling Plant at Matla Power Station. The maintenance scope includes daily plant inspections, repairs and replacements of various plant components, and the installation and removal of various plant equipment as needed.

The maintenance scope for the Ash Plant includes the replacement and repair of ash plant pipelines, the replacement of nozzles, and the repair of coffin boxes. The maintenance scope also covers the overhaul and replacement of various ash plant equipment, including ash crushers, sluice pumps, hopper-filling pumps, sump lowering pumps, and ash pumps. The report also details other maintenance activities such as coupling alignment, manual installation of bearings, installation of v-belts, and cutting and making of gaskets.

The maintenance scope for the Dust Plant includes the maintenance of all dust and air conveying pipes, as well as the maintenance of dust collecting pots. The report also details the installation and removal of various plant equipment, such as slide gates and compensators, as well as the maintenance and replacement of dust plant actuators and valves. Additionally, the report covers activities such as the cleaning and replacing of dust plant orifices, plant coverage and agitation of Dust Hoppers, and the maintenance and removal of pipe work.

Overall, this report provides a comprehensive overview of the maintenance scope required for the Ash and Dust Handling Plant at Matla Power Station. The maintenance activities detailed in this report are critical to ensuring the smooth and efficient operation of the Ash and Dust Handling Plant, which in turn is essential for the reliable and continuous supply of electricity to the national grid

This is to ensure that maintenance for the ash and dust handling plant is managed in a coordinated and objective-driven manner and that no plant items are neglected, due to their unintended omission from the plan. It is also intended to comply with the Eskom Generation Procedures and the OHS Act

Employer's requirements for the service

Refer Scope of work.

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
PSR	Plant safety regulations

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

BA	Breathing Apparatus
Ltd	Limited
BU	Business Unit
HR	Human Resources
OH & S	Occupational Health and Safety

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

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

The method of carrying out particular items of work, timing, plan, task order, supplier to provide the technical reporting certificates to the Contracts Manager.

Management meetings:

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Discussions to take place as soon as a risk is notified	Matla Power Station	Contractor & Contract Manager
Daily Toolbox meeting	Week days 07:15 – 08:00	Workshop	Contractor & Site Manager
Plant focus meeting	Week days 08:00 – 09:30	Production Board room or MS Teams	Site Manager & Outside plant Team
Overall contract progress and feedback	Once a Months in Matla Power Station	Office of contract Manager in Matla Power Station	Contractor & Contract Manager
Main SHEQ Meeting	Once a Month	MS Teams or Thandanani	Contract Manager & Safety Manager
Maintenance Monthly SHEQ Meeting	Once a Month	TBC	Contract Manager & Safety Manager
Environmental monthly meeting.	Once a Month	TBC	Contract Manager & Site Manager
Contractors Meeting with the GM	Once a Month	Thandanani	Contract Manager and Site Manager

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

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

of the *service*. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

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

Contractor's management, supervision and key people

N/A

Provision of bonds and guarantees

N/A

Documentation control:

All Communications will be filed and kept on site as it is crucial to have the correct communication structures.

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. She/he can submit the invoice to Eskom account email below

The *Contractor* shall address the tax invoice to

Eskom Holdings SOC Ltd
Reg. No. 2002/015527/30
Accounts Payable
Email to: Invoiceseskomlocal@eskom.co.za

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

This section is intended to deal with any additional requirements to the compensation event clauses in section 6 of the core clauses; such as the use of standard forms. Not the same thing as documentation control.

Records of Defined Cost to be kept by the Contractor

N/A – Option A Applies.

Insurance provided by the *Employer*

N/A

Training workshops and technology transfer

N/A

Design and supply of Equipment

N/A

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

Equipment

Information and other things

N/A

Management of work done by Task Order

A Task is work within the *service* which the *Service Manger* may instruct the *Contractor* to carry out within a stated period of time.

A signed Task Order is the *Service Manager's* instruction to carry out a Task.

Task Completion is when the *Contractor* has done all the work in the Task and corrected Defects which would have prevented the *Employer* or Others from using the Affected Property and Others from doing their work.

Task Completion Date is the date for completion stated in the Task Order unless later changed in accordance with this contract.

A Task Order includes:

- A detailed description of the work in the Task
- A priced list of items of work in the Task in which items taken from the Price List are identified.
- The starting and completion dates for the Task
- Conditions of the *service agreement* is in accordance with the Task Order issued

No Task Order is issued after the end of the service period.

Work will not commence on site without the *Contractor* receiving a signed detailed task order that has been agreed upon by the *Service Manager* and the *Contractor*.

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 D to this Service Information.

1. Safety

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

1. The *Contractor* must ensure that the works complies with the OHS Act 85 of 1993, with specific reference to section 10 as well as the construction regulations (GNR 1010 of 18 July 2003).
2. The *Contractor* will provide all SABS Approved Personal Protective Equipment to its employee's as identified in the Risk Assessment
3. The *Contractor* is responsible for procurement of PPE and equipment in accordance with the OHS act and site- specific requirements, including the use thereof as necessary.
4. The *Contractor* shall provide and demonstrate to the *Employer* a suitable and sufficiently documented health and safety plan, based on the *Employer's* documented health and safety specifications, which shall be applied from the date of commencement of and for the duration of the construction work. The plans will be approved by the *Employer* and Matla Power Station Safety Officer.
5. The *Contractor* shall ensure that all the documents required by Safety check list are in place within 14 days from date of contract awards. No Access will be granted to site if the required documents are not submitted.
6. The *Contractor* will provide all relevant training records and the total of years' experience in his/her possession to the *Employer* to verify the competency of all the key personnel for e.g. Trade Test Certificates for Artisans, Qualifications for Site Supervisors, Safety Officers.
7. The *Contractors* employees will be required to abide by the cardinal rules on site.

2. Risk assessments

1. Site risk assessments to be conducted by the *Contractor* prior to each event as per the current approved risk assessment method, thus to ensure a healthy and safe environment.
Note: Should be available on request.
2. The *Contractor* must submit a Risk Management Plan and Control Process within 14 days from date of contract award, detailing their risk management methodology. Such methodology must be aligned to the Generation Risk Management model. Such methodology shall accommodate the Risk Assessment; Risk Planning, Risk Handling and Risk Monitoring components.
3. The following matters will be included in the Risk Register
 - Matters as highlighted by 240-30008949 (Table 1) check list
 - Compliance with the cardinal rules/lifesaving rules 32-421
 - Pre-job debrief, risk assessment and on job observations

Environmental constraints and management

It should always be noted that Matla Power Station is ISO14001 certified and therefore promotes Integrated Environmental Management (IEM) philosophy which aims to achieve a desirable balance between conservation and development. All activities taking place within Matla Power Station must consider section 28 of the National Environmental Management Act (107 of 1998) which makes provision for the duty of care approach. The contractor's team must commit to review and to continually improve environmental management, with the objective of improving overall environmental performance. The *Contractor* must consult with Matla Environmental section on a regular basis for on-going assistance and advices.

Quality assurance requirements

1. The *Employer* in the process of implementing an ISO 9001:2008 series, therefore the *Contractor* will be expected to implement a quality system and maintain the quality system until the completion of this contract. The *Contractor* will comply with the provisions of the ISO9001:2008 and 14000 series
2. The *Contractor* ensures that all plant and materials for the works are to the standard and quality accepted by the *Employer* and ensures that they are suitable for the purpose intended by the manufacturer.

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3. The *Contractor* provides a Quality Control Plan (QCP) withhold points for the *Employer* for approval 2 weeks prior to commencement of work.
4. No *Contractor* shall appoint a construction safety officer to assist in the control of quality related aspects on the site unless the *Contractor* is reasonably satisfied that the construction quality controller has the necessary competencies and qualifications.
5. The *Contractor* will provide all relevant training records and the total of years' experience in the *Contractor's* possession to the *Employer* to verify the competency of all the key personnel in terms of Hazmat.

The Contract's Manager has the right to stop the *Contractor's* work activities which, in the opinion of Contract Manager, does not meet the requirements of the system and will have a detrimental effect on plant performance. The *Contractor* may only continue with work activities when all deficiencies have been corrected to the Contract Manager's satisfaction. The *Contractor* shall have no claim against the *Employer* in respect of delay due to the above.

Procurement

People

Minimum requirements of people employed

It is the Contractor’s sole responsibility to ensure all its employees have permits to perform work in the Republic of South Africa.

BBBEE and preferencing scheme

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.

The Contractor is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the Employer within thirty days of the notification or as otherwise instructed by the Employer.

Where, as a result, the Contractor’s B-BBEE status has decreased since the starting date the Employer may either re-negotiate this contract or alternatively, terminate the Contractor’s obligation to provide the service.

Failure by the Contractor to notify the Employer of a change in its B-BBEE status may constitute a reason for termination will be dealt with according to the NEC3 TSC penalty/termination clauses

Supplier Development and Localisation

a. Corporate Social Investment – CSI (Not a weighted criterion)

The tenderer is required to submit a CSI Proposal to a value of at least 2% of the contract value as a direct benefit to the Local to site communities.

Criteria	Eskom’s Target (%)	Tenderer’s Proposal (%)
CSI	2%	

Eskom will furnish the number of approved CSI projects to be executed by the contractor to the successful tenderer after the contract award. Once CSI project execution is complete, the handover event will be handled by Eskom.

Section 1: Specific Goals

A maximum of 10/20 points may be awarded to a tenderer for the specific goal specified for the tender. The points scored for the specific goal must be added to the points scored for price and the total must be rounded off to the nearest two decimal places. Subject to section 2(1)(f) of the Preferential Procurement Policy Framework Act, the contract must be awarded to the tenderer scoring the highest points.

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8

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6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

NB: The following documents are required to claim preference points,

- Valid B-BBEE certificate issued by a SANAS accredited verification agency / sworn affidavit / CIPS affidavit
- Proof of ownership / shareholding (preferably CIPC documentation) inclusive of shareholding breakdown
- Certified ID copies of shareholder(s)
- Proof of Disability (where applicable)

Tenderer failing to provide documentation for the allocation of preference points will not be disqualified, but

- May only score point out of 90/80 for price
- Scores 0 points out of 10/20 for specific goals

Section 2: Objective Criteria

The inclusion of objective criteria is not mandatory but a condition for contract award. If the tenderer does not meet objective criteria; it may lead to the second-ranked tenderer being recommended for award.

2.1 Mandatory Subcontracting as condition of award

Tenderers will upon negotiations subcontract some of the works to the following designated groups:

- an EME or QSE which is 51% owned by black people

NOTE 2: Tenderers shall submit the following mandatory returnable for Subcontracting:

- Letter of intent to subcontract

Potential scope to be subcontracted and/or outsourced:

- Safety PPE
- Medical Clearance
- Accommodation
- LDV's
- HWH transportation of employees
- +/- 108 resources
- Tools and equipment
- Consumables

Section 3: SDL&I Undertaking

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

B-BBEE Requirements

Tenderers will be required to maintain or improve their B-BBEE Recognition Level for the duration of the contract.

Local Procurement Content

Tenderers will stipulate local procurement content for the works.

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Job Opportunities

Tenderer to indicate number of Jobs to be created and/or retained due to this contract.

Number of Jobs to be created	Number of Jobs to be retained

During installation, the Contractor should ensure that it recruits its General Workers and Semi-Skilled Workers within the vicinity of the station in accordance with the Matla Power Station's Recruitment Procedure/Stakeholder Management Forum.

Skills Development

Tenderers are required to propose against the following training initiatives:

Skills Category	Eskom Target	Entry	output	Tenderers Proposal
Mechanical Fitters	3	N2/Grade 12 or Equivalent	Trade Test	
Riggers	3	N2/Grade 12 or Equivalent	Trade Test	
Boilermakers	3	N2/Grade 12 or Equivalent	On a job training	
Welders	3	N2/Grade 12 or Equivalent	On a job training	

Note:

Qualifying candidates shall be currently unemployed graduates from university, Technical and Vocational Education and Training (TVET) Colleges and/or Matriculants. The skills development candidates shall be representative of the population demographics of South Africa and be sourced from the vicinity of the station.

Section 4: SD&L Penalty

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 at the end of the contract.

Section 5: 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

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Subcontracting

Preferred subcontractors

N/A

Subcontract documentation, and assessment of subcontract tenders

N/A

Limitations on subcontracting

N/A

Attendance on subcontractors

N/A

Plant and Materials

Specifications

N/A

Correction of defects

N/A

Contractor's procurement of Plant and Materials

N/A

Tests and inspections before delivery

The contractor will service, inspect and test fire fighting equipment as per the scope of work prior to delivery.

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

N/A

Cataloguing requirements by the *Contractor*

N/A

Working on the Affected Property

The working hours is from 07:00 to 16:00 from Monday to Friday unless in an emergency. the contractor should be accompanied by Eskom employee if is going inside the plant.

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

The contractor will be required to go for induction and obtain gas access to the station. The contractor must adhere to the Eskom cardinal rule, speed limit on site.

People restrictions, hours of work, conduct and records

Vessel and piping rubber lining services for Water Treatment Plant (WTP) and Slurry Plant for a period of five (5) years on an as and when required basis at Matla Power Station

The working hours is from 07:00 to 16:00 from Monday to Friday unless for emergency. the contractor should be accompanied by Eskom employee if is going inside the plant.

Health and safety facilities on the Affected Property

Contractor must comply to Eskom' life-saving rules:

Five Life Saving Rules have been developed that will apply to all Eskom employees, agents, consultants and contractors.

Rule 1: Open, Isolate, Test, Earth, Bond, And / Or Insulate before touch - that is any plant operating above 1 000 V.

Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.

Rule 3: Buckle up – no person may drive any vehicle on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.

Rule 4: Be sober (no person is allowed to work under the influence of drugs and alcohol.)

Rule 5: Use a permit to work – where an authorization limitation exists, no person shall work without the required permit to work.

Environmental controls, fauna & flora

N/A

Cooperating with and obtaining acceptance of Others

N/A

Records of Contractor's Equipment

N/A

Equipment provided by the Employer

N/A

Site services and facilities

Provided by the Employer

The employer will provide the contractor with tap water and ablution facility on site

Provided by the Contractor

N/A

Control of noise, dust, water and waste

N/A

Hook ups to existing works

ESKOM HOLDINGS SOC Ltd

CONTRACT NUMBER _____

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N/A

Tests and inspections

Description of tests and inspections

As per the scope of work.

Materials facilities and samples for tests and inspections

As per the scope of work.

Communication

The *Contractor* shall address all communications (after contract award) including tele faximilies to:

Service Manager
Matla Power Station
Private Bag X5012
Kriel
2271

Att :
Tel :
Cell :
Fax :
E-Mail :

All communications from the *Contractor* shall carry the Enquiry Number or Contract Number after Contract Award, as well as the Title of the Works. All communication by the *Contractors* shall go through the buyer.

They shall be headed with the subject of the communications and be numbered sequentially on the basis of the subject of the communication.

No recruiting is allowed on Eskom property. (Eskom property includes the area outside the main security gate).

List of drawings

Drawings issued by the *Employer*

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

Drawing number	Revision	Title
N/A	N/A	N/A