

PART 2: PRICING DATA

TSC3 Option A

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C2.1 Pricing assumptions: Option A

1. How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract (TSC3) core clauses and Option A states:

Identified and defined terms	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of
		<ul style="list-style-type: none">the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed andwhere a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

This confirms that Option A is a priced contract where the Prices are derived from a list of items of service which can be priced as lump sums or as expected quantities of service multiplied by a rate or a mix of both.

2. 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.

3. 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).

4. 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.

4.1. 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*

Price list 1

Maintenance: Monthly

Item nr	Description	Unit	Quantity	Rate	Total Price
1	1 x Site Manager	No	60		
2	1 x Site Supervisor	No	60		
3	1 x Safety Officer	No	60		
4	6 x Mechanical Fitters	No	60		
5	6 x Semi-skilled	No	60		
6	3 x Electricians	No	60		
7	1 x Rigger	No	60		
8	1 x Rigger Assistant	No	60		
9	1 x Boiler Maker (on an as and when required basis)	No	60		
10	Standby Allowance (for the entire team)		Item		
11	Transport (employees)	No	60		
12	Health & Safety	Yrs	5		
The total of the Prices (excluding VAT)					

Contractor:

PRINT NAME _____

SIGNATURE _____

DATE _____

Maintenance: Overtime

Item nr	Description	Unit	Quantity	Rate	Total Price
1	1 x Site Manager (After hours & Saturday)	Hrs	5200		
2	1 x Site Supervisor (After hours & Saturday)	Hrs	5200		
3	1 x Safety Officer (After hours & Saturday)	Hrs	5200		
4	6 x Mechanical Fitters (After hours & Saturday)	Hrs	7000		
5	6 x Semi-skilled (After hours & Saturday)	Hrs	7000		
6	3 x Electricians (After hours & Saturday)	Hrs	7000		
7	1 x Rigger (After hours & Saturday)	Hrs	7000		
8	1 x Rigger Assistant (After hours & Saturday)	Hrs	5200		
9	1 x Boiler Maker (After hours & Saturday)	Hrs	3500		
10	1 x Site Manager (Sunday & Public Holidays)	Hrs	3200		
11	1 x Site Supervisor (Sunday & Public Holidays)	Hrs	3200		
12	1 x Safety Officer (Sunday & Public Holidays)	Hrs	3200		
13	6 x Mechanical Fitters (Sunday & Public Holidays)	Hrs	3900		
14	6 x Semi-skilled (Sunday & Public Holidays)	Hrs	3900		
15	3 x Electricians (Sunday & Public Holidays)	Hrs	3900		
16	1 x Rigger (Sunday & Public Holidays)	Hrs	3900		
17	1 x Rigger Assistant (Sunday & Public Holidays)	Hrs	3900		
18	1 x Boiler Maker (Sunday & Public Holidays)	Hrs	3000		
The total of the Prices (excluding VAT)					

**Note: Overtime & Saturday (Base rate times 1.5)
 Sundays & Public Holidays (Base rate times 2)**

Contractor:

 PRINT NAME

 SIGNATURE

 DATE

Preliminaries: Establishment of facilities on site
Fixed charge and value-related items

Item nr	Description	Unit	Quantity	Rate	Total Price
1	Site Establishment (Office, stores, ablution and latrine, toilets, etc)	No	60		
2	Site De-establishment	No	60		
3	The total of the Prices (excluding VAT)				

Contractor:

PRINT NAME

SIGNATURE

DATE

Maintenance: Health and Safety

Item	Description	Unit	Qty	Rate	Total price
1	Medicals (only if annual medical certificate expired)	No	21	R	R
2	Health and Safety File	No	1	R	R
3	Safety Training	No	21	R	R
4	Hard hats with strips (Hooked on the hats itself not inside)	No	21	R	R
5	Overalls	No	21	R	R
6	Gloves	No	21	R	R
7	Shoes (Safety boots)	No	21	R	R
8	Hearing protection	No	21	R	R
9	Safety goggles	No	21	R	R
10	Safety harnesses (with big hooks)	No	21	R	R
11	First Aid box for every 50 employees	No	3	R	R
12	Dust mask	No	42	R	R
13	Thermal Suit		N/A	N/A	N/A
14	Special underwear – only cotton		N/A	N/A	N/A
15	Flash Suit		N/A	N/A	N/A
16	Training: Appointed Operator - ORHVS (8 days)		N/A	Offered by Eskom	N/A
*17	Training: Appointed Person - PSR (10 days)		N/A	Offered by Eskom	Offered by Eskom
*18	Training: Responsible Person - ORHVS & PSR (18 days)		N/A	Offered by Eskom	Offered by Eskom
*19	Training: Authorised Supervisor - PSR (2.5 days)		N/A	Offered by Eskom	N/A
20	TOTAL VALUE FOR HEALTH AND SAFETY				R

Safety price list Rev 4 Sept 2010

The above prices excludes VAT

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

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

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

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

Contractor:

 PRINT NAME

 SIGNATURE

 DATE

Price list 2

Outage: GO, MGO & IR

Item	Component	Description of work	Item no	Unit	Qty	Rate Each	Total Price
POPPET & AIR RELIEF VALVES							
All poppet & air relief valves	Wall blower, lance blower and air heater blowers	Inspect all poppet and air relief valves and draft availability and defect report.	1	No	2640		
		Remove air gauge and copper piping	2	No	2640		
		Remove all poppet valves from the boiler, temporarily blank the pipe and transport to the contractor's workshop	3	No	2640		
		Dismantle poppet valves	4	No	2640		
		Inspect all the spares and replace if necessary	5	No	2640		
		Sand blast body and check for cracks using dye penetrant (PT)	6	No	2640		
		Pressure test and MPI test poppet valve	7	No	2640		
		Reassemble poppet valves	8	No	2640		
		Replace air gauge and copper piping	9	No	2640		
		Re-install poppet valve into the boiler	10	No	2640		
		Re-install poppet valve	11	No	2640		
WALL BLOWERS - IR 2F (Quantity of 88 per boiler)							
All wall blowers		Inspect all wall blowers and draft availability and defect report.	12	No	1760		
		Remove from boiler.	13	No	1760		
		Dismantle all lance blowers' gearbox.	14	No	1760		
Gear reducer assembly		Check for wear and replace if necessary. Reassemble using new oil seals.	15	No	1760		
Feed tube		Check alignment, do thickness test, check nozzle sizes, scoring and erosion. Repair or replace if necessary.	16	No	1760		
Screw tube		Check straightness and thickness. Repair or replace if necessary.	17	No	1760		
Nozzle		Check for cracking. Repair or Replace if necessary.	18	No	1760		
Gear and bearing assembly		Check for wear. Repair or replace if necessary.	19	No	1760		
Drive pins		Check for wear. Replace if necessary.	20	No	1760		
Guide flange and valve operating cam		Check for wear. Repair or replace if necessary.	21	No	1760		
Guide bar assembly		Ensure that the pawls are operating freely. Repair or Replace if necessary.	22	No	1760		
Lubrication		Lubricate where required.	23	No	1760		
All wall blowers		Re-assemble gearbox blower.	24	No	1760		
All wall blowers		Re-fit blower gearbox to the boiler.	25	No	1760		

LANCE BLOWERS – IK 545B (Quantity of 40 per boiler)							
All lance blowers		Inspect all lance blowers and draft availability and defect report.	26	No	800		
		Remove from boiler.	27	No	800		
		Dismantle all wall blowers.	28	No	800		
Gear reducer assembly		Disassemble, check for wear and replace if necessary. Reassemble using new oil seals.	29	No	800		
Feed tube		Check alignment, do thickness test, check nozzle sizes, scoring and erosion. Repair or Replace if necessary.	30	No	800		
Nozzle		Check for cracking. Repair or Replace if necessary.	31	No	800		
Gear and bearing assembly		Check for wear. Repair or Replace if necessary.	32	No	800		
Air relief valve		Pressure test. Repair or Replace if necessary.	33	No	800		
Lubrication		Lubricate the gear reducer	34	No	800		
All lance blowers		Re-assemble blower.	35	No	800		
All lance blowers		Re-fit blower to the boiler.	36	No	800		
AIR HEATER SOOT BLOWER LANCES - IK 510 (Quantity of 4 per boiler)							
Lance tubes	HCB91AN201	Check for corrosion, do thickness test, surface damage and straightness. Repair or Replace if necessary.	37	No	20		
Feed tubes	HCB91AN201	Check for corrosion, do thickness test, check nozzle sizes, surface damage and straightness. Repair or Replace if necessary.	38	No	20		
Nozzles	HCB91AN201	Check for cracking and corrosion. Repair or Replace if necessary.	39	No	20		
Lance blower	HCB91AN201	Re-assemble blower.	40	No	20		
Lance blower	HCB91AN201	Re-fit blower to the boiler.	41	No	20		
Lance tubes	HCB92AN202	Check for corrosion, do thickness test, surface damage and straightness. Repair or Replace if necessary.	42	No	20		
Feed tubes	HCB92AN202	Check for corrosion, do thickness test, check nozzle sizes, surface damage and straightness. Repair or Replace if necessary.	43	No	20		
Nozzles	HCB92AN202	Check for cracking and corrosion. Repair or Replace if necessary.	44	No	20		
Lance blower	HCB92AN202	Re-assemble blower.	45	No	20		
Lance blower	HCB92AN202	Re-fit blower to the boiler.	46	No	20		
Lance tubes	HCB91AN203	Check for corrosion, do thickness test, surface damage and straightness. Repair or Replace if necessary.	47	No	20		
Feed tubes	HCB91AN203	Check for corrosion, do thickness test, check nozzle sizes, surface damage and straightness. Repair or Replace if necessary.	48	No	20		
Nozzles	HCB91AN203	Check for cracking and corrosion. Repair or Replace if necessary.	49	No	20		
Lance blower	HCB91AN203	Re-assemble blower.	50	No	20		

Lance blower	HCB91AN203	Re-fit blower to the boiler.	51	No	20		
Lance tubes	HCB92AN204	Check for corrosion, do thickness test, surface damage and straightness. Repair or Replace if necessary.	52	No	20		
Feed tubes	HCB92AN204	Check for corrosion, do thickness test, check nozzle sizes, surface damage and straightness. Repair or Replace if necessary.	53	No	20		
Nozzles	HCB92AN204	Check for cracking and corrosion. Repair or Replace if necessary.	54	No	20		
Lance blower	HCB92AN204	Re-assemble blower.	55	No	20		
Lance blower	HCB92AN204	Re-fit blower to the boiler.	56	No	20		
Drain valves Orifice (quantity of 9 per boiler)	HCB*BP*	Inspect all soot blowers drain valves orifice. Ensure that the piping is clean. Replace if severe steam cutting is evident.	57	No	180		
All Lance Gearbox		Remove from the plant and send to workshop. 0 Disassemble the gearbox, clean the components and inspect for damage. Repair or replace if necessary	58	No	80		
LANCE BLOWER CARRIAGE (IK 540 & IK 545B) (Quantity of 40 per boiler)							
Cam and arm assembly		Inspect all cam and arm carriage and draft availability and defect report. Disassemble the assembly, clean components, inspect components and replace damaged ones, and re-assemble all components.	59	No	800		
Roller brackets assemble		Disassemble the roller bracket assembly, check rotating freely, clean and replace damaged components.	60	No	800		
Roller brackets assemble		Replace all ball bearings, inspect the shafts and replace if damaged. Re-assemble the components and test if all are working properly.	61	No	800		
Roller bracket assembly		Adjust the angle of rollers	62	No	800		
GAS PROBE ASSEMBLY (Quantity of 2 per boiler)							
Gearbox reducer		Disassemble the gearbox, clean the components and inspect for damage. Repair or replace if necessary	63	No	40		
Pulleys		Inspect pulleys for any damage	64	No	80		
Roller bracket assembly		Disassemble, inspect, clean, replace damaged, and re-assemble the roller assembly.	65	No	40		
RECOMMISSIONING							
Lubrication		Lubricate where required as per the Maintenance strategy	66	No	2640		
Testing		Recommission soot blower system using recommissioning procedure *1016513.	67		Item		
The total of the Prices (excluding VAT)							

Outage: Health and Safety

Outage Listing				
Year	IR	Ext IR	MGO	GO
2026				1
2027	2		2	
2028	1	1	2	
2029	2		1	
2030	2		1	
2031	3		2	

Item	Description	Unit	Qty	Rate	Total price
1	Medicals (only if annual medical certificate expired)	No	20	R	R
2	Safety Training	No	20	R	R
3	Health and Safety Officer (part time basis)	No	20	R	R
4	Hard hats with strips (Hooked on the hats itself not inside)	No	20	R	R
5	Overalls	No	20	R	R
6	Gloves	No	20	R	R
7	Shoes (Safety boots)	No	20	R	R
8	Hearing protection	No	20	R	R
9	Safety goggles	No	20	R	R
10	Safety harnesses (with big hooks)	No	20	R	R
11	First Aid box for every 50 employees	No	20	R	R
12	Dust mask	No	20	R	R
13	TOTAL VALUE FOR HEALTH AND SAFETY				R

Contractor:

 PRINT NAME

 SIGNATURE

 DATE

Final Summary: Maintenance and Outages

Item nr	Description	Total Price
1	Maintenance: Monthly	
2	Maintenance: Overtime	
3	Preliminaries	
4	Maintenance: Health and Safety	
5	Outage: GO, MGO & IR	
6	Outage: Health and Safety	
7	The total of the Prices (excluding VAT)	