



NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC LIMITED**
(Reg No. 2002/015527/06)

and **Not known yet**

for **The provision of compressor plant maintenance on an "as and when required basis" for the period of 60 months at Hendrina Power Station**

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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 provision of compressor plant maintenance on an “as and when required basis” for the period of 60 months at Hendrina 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
	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: _____

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
Part C4	Site 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 original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s) Tebogo Lekalakala

Capacity General Manager
Hendrina Power Station

for the Employer Hendrina Power Station
Impala Road Pullenshope
1096

Eskom Holdings SOC Limited

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

.....

Tebogo Lekalakala

Capacity

.....

General Manager Hendrina Power Station
 Eskom Holdings SOC Limited

On behalf
 of

.....

Eskom Hendrina Power Station
 Impala Road
 Pullenshope
 1096

Name &
 signature
 of witness

.....

.....

Date

.....

.....

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	<ul style="list-style-type: none"> • [Redacted] 	A: Priced contract with price list
	dispute resolution Option and secondary Options	W1: Dispute resolution procedure
	[Redacted]	X1: Price adjustment for inflation
	[Redacted]	X2: Changes in the law
	[Redacted]	X4: Parent company guarantee
	[Redacted]	X7: Delay damages
	[Redacted]	X16: Retention
	[Redacted]	X17: Low service damages
	[Redacted]	X18: Limitation of liability
	[Redacted]	X19: Task Order
	[Redacted]	Z: <i>Additional conditions of contract</i>
	of the NEC3 Term Service Contract (June 2005) ²	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Limited (Reg No: 2002/015527/06), a juristic person 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 5843/011 800 8000
	Fax No.	N/A
10.1	The <i>Service Manager</i> is (name):	Hunadi Mahlanyane
	Address	1 Impala Road, Pullenshope, 1096
	Tel	(+2713) 296 3974

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 011 803 3009

Fax

e-mail

Mahlahn@eskom.co.za

11.2(2)	The Affected Property is	Hendrina Power Station
11.2(13)	The <i>service</i> is	Maintenance services of Compressors and Dryers
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information is in	Part 3 : Section C3 of this contract
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	2 calendar days after the contract date
2	The Contractor's main responsibilities	(If the optional statement for this section is not used, no data will be required for this section)
21.1	The <i>Contractor</i> submits a first plan for acceptance within	10 Calendar days after the contract date
3	Time	
30.1	The <i>starting date</i> is.	TBA – to be announced
30.1	The <i>service period</i> is	60 Months
4	Testing and defects	Upon completion of all works the Service Provider informs the Service Manager to carry out quality verifications
5	Payment	
50.1	The <i>assessment interval</i> is	25th of each month
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	30 Days
51.4	The <i>interest rate</i> is	zero percent above 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 (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 Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not

be necessary to prove.

6	Compensation events	As per core clause 60.1 (Section 1 to 14) of the TSC3
60.1(14)	These are additional compensation events:	<ul style="list-style-type: none"> • Additional Scope of work not in the contract • Inclement weather conditions • Contamination from toxic or hazardous chemical substances under the care of the Employer including the Contractor • Power and air supply disruption except that which is the responsibility or under the control of the Contractor
7	Use of Equipment Plant and Materials	The Contractor will provide Equipment Plant and the Employer will free issue materials.
8	Risks and insurance	
80.1	These are additional <i>Employer's</i> risks	<ol style="list-style-type: none"> 1. Change to existing Safety Procedure 2. Ramping down <p>Due to uncertainties surrounding future operation of Hendrina Power station, the following risk will form part of the contract, namely:</p>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format TSC3" available on http://www.eskom.co.za/live/content.php?Item_ID=9248 (See Annexure A for basic guidance).
83.1	The <i>Employer</i> provides these additional insurances	as stated for "Format TSC3" available on http://www.eskom.co.za/live/content.php?Item_ID=9248 (See Annexure A for basic guidance)
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for loss of or damage to Plant and Materials provided by the <i>Employer</i> is:	the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248
83.1	The minimum amount of cover for insurance in respect of loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) arising from or in	whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i> .

connection with the *Contractor's* Providing the Service for any one event is:

83.1	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rands)..
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9	Termination	As per core clause 90 (Section 90.1 to 90.5) of the TSC3
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10 Data for main Option clause

A	Priced contract with price list
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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	4 weeks
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11 Data for Option W1

W1.1	The <i>Adjudicator</i> is (Name)	The person selected from the Eskom Panel of Adjudicators listed in Annexure B to this Contract Data by the Party intending to refer a dispute to him.
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W1.2(3)	The <i>Adjudicator nominating body</i> is:	The Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See www.jointcivils.co.za)
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W1.4(2)	The <i>tribunal</i> is:	arbitration
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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	The Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the Parties cannot agree a choice or	
	- if the arbitration procedure does not state who selects an arbitrator, is	

12 Data for secondary Option clauses

X	Price adjustment for inflation
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X1.1	The <i>base date</i> for indices is										
	The proportions used to calculate the Price Adjustment Factor are:										
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 15%;">proportion</th> <th style="width: 15%;">linked to index for</th> <th style="width: 70%;">Index prepared by</th> </tr> <tr> <td style="text-align: center;">0.</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> <tr> <td style="text-align: center;">0.</td> <td style="text-align: center;">[•]</td> <td style="text-align: center;">[•]</td> </tr> </table>	proportion	linked to index for	Index prepared by	0.	[•]	[•]	0.	[•]	[•]
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		[•] non-adjustable
		1.00
X2	Changes in the law	As per the terms and conditions of NEC3 TSC
X17	Low service damages	
X17.1	The <i>service level table</i> is in	
X18	Limitation of liability	
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 described in the "Format TSC3" insurance policy available on http://www.eskom.co.za/live/content.php?Item_ID=9248
X18.3	The <i>Contractor's</i> 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 <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles in the <i>Employer's</i> assets and works / maintenance policies available on http://www.eskom.co.za/live/content.php?Item_ID=9248
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	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> 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 <i>Employer's</i> property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.

X18.5	The <i>end of liability date</i> is	1 month after the end of the <i>service period</i>.
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	Two day of receiving notification
Z	The <i>additional conditions of contract</i> are	Z1 to Z11 always apply.

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry and the Electricity Distribution 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 substantially 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 Works.
- 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 Ethics

- Z4.1 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).
- Z4.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.
- Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.
- Z4.3 Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

Z5 Confidentiality

- Z5.1 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.
- Z5.2 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*.
- Z5.3 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.
- Z5.4 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*.
- Z5.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z6 Waiver and estoppel: Add to core clause 12.3:

- Z6.1 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.

Z7 Health, safety and the environment: Add to core clause 27.4

- Z7.1 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 2003 (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.
- Z7.2 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.

Z8 Provision of a Tax Invoice and interest. Add to core clause 51

- Z8.1 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.
- Z8.2 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.
- Z8.3 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.

Z9 Notifying compensation events

- Z9.1 Delete from the last sentence in core clause 61.3, "unless the *Service Manager* should have notified the event to the *Contractor* but did not".

Z10 Employer's limitation of liability

- Z10.1 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z10.2 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 under the compensation events stated in this contract.

Z11 Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

- Z11.1 or had a judicial management order granted against it.

Z12

Annexure A: Insurance provided by the Employer

These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. Details of the insurance itself are available from the internet web link given below.

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. **Further information and full details of all Eskom provided policies and procedures may be obtained from:**

http://www.eskom.co.za/live/content.php?Item_ID=9248

Annexure B: The *Employer's* Panel of Adjudicators

The following persons listed in alphabetical order of their surname have indicated their willingness to be included in the Eskom Panel of Adjudicators. Their CV's may be obtained by using the contact details provided.

Name	Location	Contact details (phone & e mail)
Nigel ANDREWS	Gauteng	+27 11 836-6760 nigela@quoin.net
Andrew BAIRD	Gauteng	+27 11 803 3008 andrewbaird@ecsconsult.co.za
Christopher BINNINGTON	Gauteng	+27 11 888-6141 cdb@bca.co.za
Peter HIGGINS	UK	+44 1293 873 868 peterhiggins@pdconsult.co.uk
Bruce LEECH	Gauteng	+27 11 290 4000 leech@counsel.co.za
Nigel NILEN	Gauteng	+27 11 465 3601; nilences@global.co.za
Peter THURLOW	Gauteng	+27 11 787 6226 info@thurlowassoc.com

Information about the Panel and appointment of the selected *Adjudicator* is available from Eskom Supply Chain Operations management, by contacting Leighton Itholeng (Tel.: +27 (0)11 800 4031) (Fax :+27 (0)86 668 0419) E-mail: Leighton.Itholeng@eskom.co.za

C1.2 Contract Data

Part two - Data provided by the Contractor

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	% %
11.2(14)	The following matters will be included in the Risk Register	
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	Full Risk Service agreement Proposal SA 1073HH/04
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key persons 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	Section C 2.2 of this contract
11.2(19)	The tendered total of the Prices is	

PART 2: PRICING DATA

TSC3 Option A

Document reference	Title	No of pages
C2.1	Pricing assumptions: Option A	2
C2.2	The <i>price list</i>	2

C2.1 Pricing assumptions: Option A

The conditions of contract

How work is priced and assessed for payment

Clause 11 in the core and Option A clauses of the NEC3 Term Service Contract, June 2005 (TSC3) state:

Identified and defined terms 11 (12) The Price List is the *price list* unless later changed in accordance with this contract.

(20) 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 expected quantities of service multiplied by a rate or a mix of both.

Function of the Price List

In this Option the Price List is used as a means of arriving at a target price. 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.

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 related to items of service priced in the *price list*.

Preparing the *price list*

It will be assumed that the tendering contractor has read Pages 14, 15 and 73 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering into this contract.

1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.

2 If the *Contractor* has decided not to identify a particular item in the *price list* at the time of tender the cost to the *Contractor* of doing the work must be included in, or spread across, the other Prices and rates in the *price list* in order to fulfil the obligation to complete the *service* for the tendered total of the Prices, in this case the target.

3 There is no adjustment to lump sum prices in the *price list* if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the *Contractor* estimated at time of

tender. The only basis for a change to the Prices (and hence to the target) is as a result of a compensation event. See Clause 60.1.

4 Hence the Prices and rates tendered by the *Contractor* in the *price list* 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.

5 The Contractor does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an *Employer's* risk event listed in core clause 80.1.

Format of the *price list*

(From page 73 of 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	Unit Of Measure	Quantity	Rate	Total
Maintenance of Kaeser Compressor - Year 1	Month	12		
Maintenance of Kaeser Compressor - Year 2	Month	12		
Maintenance of Kaeser Compressor - Year 3	Month	12		
Maintenance of Kaeser Compressor - Year 4	Month	12		
Maintenance of Kaeser Compressor - Year 5	Month	12		

The total of the Prices

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PART 3: SCOPE OF WORK

C3: Scope of Work

C3.1 Service Information

Compressor plant consists of two low voltage compressors and three medium voltage compressors which in total add up to 156 cubic meters per minute of flow. The station usage averages to 96 cubic meters per minute at 720 kPa in total, which is shared between the service air and control air system. Standby diesel compressors supply control air systems in case of emergency or when the electrical control air compressors fail. Compressor plant and its accessories needs to be maintained so that it is sustainable, reliable and responsive based on operational demands as per maintenance regime on figure 1.

C3.2. Description of the works

- Compressor plant and its accessories needs to be maintained so that it is sustainable, reliable and responsive based on operational demands.
- The compressor plant shall be maintained to ensure it complies to air standard, ISO 8573, to be able to achieve the optimized dew point temperature of ≥ -40 0c.
- The maintenance execution shall be at all times in compliant with OSHACT.
- Plant safety regulations must be adhered to at all times. Electrical works shall only be executed by the qualified skilled personnel (engineer/technician/artisan).
- All maintenance conducted and result therefore shall be recorded filed and copies shall be sent to the *Employer*.
 - Ensures that all the spares necessary for the running of the plant are available onsite. (Minimum of spares to kept shall be discussed with an *Employer*.)
 - Scrapping and purchasing of the motors remains the responsibility of the *Employer*.
 - All changes/files/computer programs or software associated with the functioning of the plant/manuals/spares/drawing updates/meeting minutes/records about the

plant/keys/monitoring equipment/passwords to operate any program needed as part of operating the plant is to be handover to the *Employer* at the end of the *Contractor's* contract period or in case the *Contractor* is unable to perform the duties because of known/unknown circumstances.

Contractor maybe expected to conduct inspections/maintenance outside the specified frequencies in case there are deviations that are compelling.

Note:

- The compressors and driers have hours that are approaching the major service as prescribed by the OEM on the service manual, therefore the major service will fall within this contract. The Contractor is required to submit the comprehensive methodology to the Employer of how the major service will be carried out without jeopardising the operation of the system and explicitly identify all resources deemed necessary to carry the said task.(furthermore the comprehensive scope for major service must be submitted with timelines within the first 3 months of the contract).
- For every service the oil sample must be taken and analysed by the professional service provider and the report submitted to the Employer.
- For any incident the Contractor must report to work within 24hours after they are informed to come and do the following:
 1. Download and analyse the operation pattern of the system and submit the report to the Employer within 12 hrs.
 2. Diagnosis of the incident and submit immediate remedy.
 3. Submit incident preliminary technical report with the ff. content.
Introduction, Background, executive summary, normal operation philosophy, sequence of events, findings, recommendations, conclusion and references. (it must be stated whether the incident occurs for the first time or it's a repeat, and if it's a repeat check if the previous recommendations were implemented).

4. The Contractor must list all spares list that is covered within the maintenance contract and their availability/lead time.

Mechanical Scope

Scope for services A: COMPRESSOR

- Check cooling, clean cooler.
 - Check valves for wear, clean, change wear parts.
 - Check coupling.
 - Replace air inlet filter.
 - Replace filter mats.
 - Check oil level, oil filter, oil separator cartridge and oil scavenge tube.
 - Change oil and filter if necessary.
 - Check performance of compressor airend, vibration, direction of rotation, leaks.
 - Check pipe work and hose connections for leaks and tightness.
 - Check pressure relief valve and gauges on air receiver
 - Check and clean condensate drain of ZK centrifugal separator.
 - Check electrical cables and cable inlets, check terminal strip connections for tightness.
 - Clean electrical cabinet.
 - Check performance of drive motor, check motor fan blades for damage.
 - Grease Drive motor grease nipples.
 - Check and if necessary adjust regulating, switching and control elements.
 - Check shutdown and safety functions.
 - Check indication, warning and alarm functions.
 - Check safety valve and fittings.
 - Service Eco drains.
-
- Plant leaks detection must be executed

- PRV's shall be tested as per statutory PM's
- Provisional maintenance of the extra two dryers
- Make sure always the pressure regulating valve is in a serviceable condition.
- Flow meters must be checked that are always functional and available.
- Submit a proposal methodology of major service prior for 6 months, before contract expires.
- Maintain mobile portable compressors
- Contract price adjustment shall be performed.

Scope for services B: COMPRESSOR

- Check cooling, clean cooler.
- Check valves for wear, clean, change wear parts.
- Check coupling.
- Replace air inlet filter.
- Replace filter mats.
- Check oil level, oil separator cartridge and oil scavenge tube.
- Replace oil filter.
- Replace oil separator Filter
- Change compressor only if necessary.(based on oil analysis).
- Check performance of compressor airend, vibration, direction of rotation, leaks.
- Check pipe work and hose connections for leaks and tightness.
- Check pressure relief valve and gauges on air receiver.
- Check and clean condensate drain of ZK centrifugal separator.
- Check electrical cables and cable inlets, check terminal strip connections for tightness.
- Clean electrical cabinet.
- Check performance of drive motor, check motor fan blades for damages.
- Grease Drive motor grease nipples.
- Check and if necessary adjust regulating, switching and control elements.
- Check shut down and safety functions.

- Check indication, warning and alarm functions.
- Check safety valve and fittings.
- Service Eco drains.

Scope for service C: COMPRESSOR

- Check cooling, clean cooler.
- Check valves for wear, clean, change wear parts.
- Check coupling, replace if necessary.
- Replace air inlet filter.
- Replace filter mats.
- Check oil level, oil filter, oil separator cartridge and oil scavenge tube.
- Replace oil filter.
- Replace oil separator filter.
- Change compressor oil if necessary. (based on oil analysis).
- Maintenance kit, minimum pressure check valve.
- Maintenance kit, inlet valve.
- Maintenance kit, combination valve.
- Maintenance kit, vent control valve.
- Maintenance kit, venting valve.
- Maintenance kit, pneumatic valve.
- Replace fan motor bearings.
- Check performance of compressors airend, vibration, direction of rotation, leaks.
- Check pipe work and hose connection for leaks and tightness.
- Check pressure relief valve and gauges on air receiver.
- Check and clean condensate drain of ZK centrifugal separator.
- Check electrical cables and cable inlets, check terminal strip connection for tightness.
- Clean electrical cabinet.
- Check performance of drive motor, check motor fan blades for damages.
- Grease Drive motor grease nipples.
- Check and if necessary adjust regulating, switching and control elements.
- Check shut down and safety functions.

- Check indication, warning and alarm functions.
- Check safety valve and fittings.
- Service eco drains.

Scope for services D: Compressor

- Check cooling, clean cooler.
- Check valves for wear, clean, change wear parts
- Replace drive coupling
- Replace air inlet filter
- Replace filter mats
- Check oil level, oil filter, oil separator cartridge and oil scavenge tube
- Replace oil filter
- Replace oil separator filter
- Replace compressor oil
- Overhaul minimum pressure check valve overhaul inlet valve
- Overhaul combination valve
- Overhaul vent control valve
- Overhaul venting valve
- Overhaul pneumatic valve
- Replace fan motor bearings
- replace main drive motor bearings
- replace control line hoses
- check performance of compressor airend, vibration, direction of rotation, leaks
- check pipe work and hose connections for leaks and tightness
- check pressure relief valve and gauges on air receiver
- check and clean condensate drain of ZK centrifugal separator
- check electrical cables and cable inlets, check terminal strip connections for tightness
- clean electrical cabinet
- check performance on drive motor, check motor fan blades for damage

- grease drive motor grease nipples
- check and if necessary adjust regulating, switching and control elements
- check shut down and safety functions
- check indication, warning and alarm functions
- check safety valve and fittings
- service Eco Drains

Scope of maintenance work: Dryers

The service and maintenance schedule are listed below.

Scope for service A: Dryers

- Check, clean heat exchanger
- Check valves for wear, clean
- Check air inlet temperature, air outlet temperature, dew point temperature
- Check for wear, clean condensate drain, change wear parts
- Check refrigeration system, clean refrigerant condenser
- Replace internal micro filters and external FE micro filter
- Check and if necessary adjust regulating, switching and control elements
- Check shut-down and safety functions
- Check filtrate and oil drainage for free flow, clean

Scope for services B: Dryers

- Check, clean heat exchanger
- Check valves for wear, clean
- Check air inlet temperature, air outlet temperature, dew points temperature
- Check for wear, clean condensate drain, replace wear parts
- Check refrigeration system, clean refrigerant condenser
- Replace internal micro filters and external FE Micro filters
- Check and if necessary adjust regulating, switching and control elements
- Check shut down and safety functions

- Check indication, warning and alarm function
- Check filtrate and oil drainage for free flow, clean

Scope for services C: Dryers

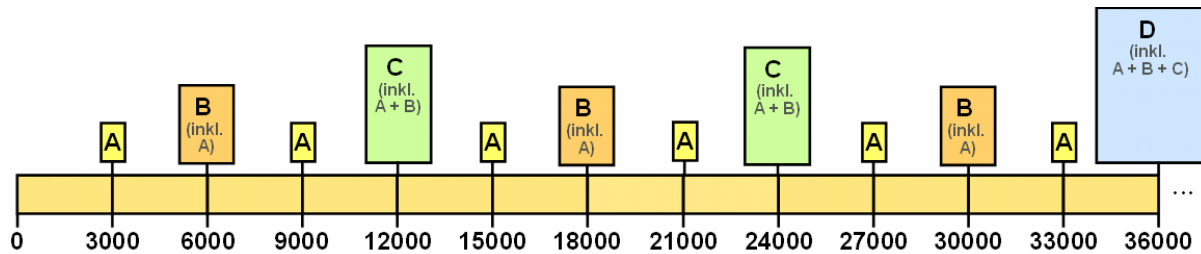
- Check, clean heat exchanger.
- Check valves for wear, clean.
- Check air inlet temperature, air outlet temperature, dew point temperature.
- Check for wear, clean condensate drain, and replace wear parts.
- Check refrigeration system, clean refrigerant condenser.
- Replace internal Micro Filters and external FE micro filter.
- Replace all sealing rings on filter parts.
- Check refrigerant circuit, top up if necessary.
- Check and if necessary adjust regulating, switching and control elements.
- Check shut down and safety functions.
- Check indication, warning and alarm function.
- Check filtrate and oil drainage for free flow, clean.

Scope for service D: Dryers

- Check, clean heat exchanger.
- Check valves for wear, clean.
- Check air inlet temperature, air outlet temperature, dew point temperature.
- Check for wear, clean condensate drain, and replace wear parts.
- Check refrigeration system, clean refrigerant condenser.
- Replace internal Micro Filters and external FE 177 micro filter.
- Replace all sealing rings on filter parts.
- Check refrigerant circuit, top up if necessary.
- Replace inline refrigerant filter.
- Replace refrigerant compressor motor oil.
- Check and if necessary adjust regulating, switching and control elements.
- Check shut down and safety functions.

- Check indication, warning and alarm function.
- Check filtrate and oil drainage for free flow, clean.

- Contractor to submit the schedule for major service for the machines prior the commencement of contract as per updated schedule in similar pattern as figure 1 below.
- **Figure 1: Maintenance Regime**



Item	Running hrs	Loading hrs	Maintenance hrs
LV1	65747	40295	-2862
LV2	66658	64571	-5016
MV1	63440	62653	1364
MV2	66830	66446	1447
MV3	51397	51243	2055
Diesel 1	416		
Diesel 2	436		
Diesel 3	480		
Dryer 1	6899	48579	
Dryer 2	842	62342	
Dryer 3	916	67211	

Table 1: Running hours as of 10 February 2022

Electrical Scope

Safety

- All work is to be done in accordance with Hendrina power station plant safety regulations (PSR) and operational regulation for high voltage systems (ORHVS).
- Life saving rules to be always adhered to.

The Contractor does the following:

Task	Frequency	Details of task
Inspection/Cleaning	Annually	<ul style="list-style-type: none"> ❖ Ensures that the switchgear is free from obstruction and accumulation of dust, dirt, water, and temperature that is hot (>40°C). ❖ Ensure that the wiring, trunking, and din rails are properly secured. ❖ Conduct visual inspections on the panel, ensuring that all internal components are secured, with no physical damage. ❖ Ensures that the signs are mounted where the <i>Employer</i> deems it necessary. ❖ Ensures that the circuit wiring is neat and labelled. ❖ Inspect the wiring by conducting tightness checks on all points of termination. Ensure that there are no loose connections on any part of the circuit. ❖ Visual inspection on motor – check condition of the cooling fan, ensure that all rotary parts are secured with guard, earthing is secured, that there are no hot spots on termination in the terminal box, ensures that the star point of the motor is secured in place, mounting bolts are secured, and ensures that the motor has soft foot. ❖ Ensures that all latching mechanisms i.e., contactors, relays, timers, and other auxiliaries are properly making and realising. ❖ Ensures that all protection components are set correctly for duty (contact the <i>Employer</i> for the settings document). ❖ Ensures that no protection settings are changed in the plant without following the engineering change management (ECM). ❖ Ensures that all the push buttons are fully functional and are not sticky. ❖ Ensures that indication equipment(s) are functional.
Motor overhauling	5 yearly	<ul style="list-style-type: none"> ❖ <i>Contractor</i> removes the motor from the plant for overhauling and replaces it with a healthy spare motor from the stores.
Fault finding	As required	<ul style="list-style-type: none"> ❖ Attends to all plant breakdowns and fix all defects reported and found during fault

		<p>finding.</p> <ul style="list-style-type: none">❖ All defects to be recorded and submitted to the employer via email every Monday.❖ In the event where the motor is faulty the <i>Contractor</i> is responsible for the removal/installation/uncoupling and coupling of the motor to the load/ disconnecting and reconnecting of cables/commissioning. If the motor is to be sent away for repairs the <i>Employer</i> assumes the responsibility.❖ Ensures that components are changed with the same type of component, if the replacement component is obsolete, the ECM route shall be followed, and the <i>Employer</i> will be promptly informed. The <i>Employer</i> is responsible for the ECM.❖ Ensures that faulty power cables are reported to the <i>Employer</i> (<i>Employer</i> assumes the responsibility of fixing the cables).❖ Performs other test advised by the equipment manufacturer.❖ Conducts electrical tests on motor; insulation resistance test (IR), polarity index test (PI) and, winding resistance.
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C&I Scope

No	COMPONENT	ACTIVITY TYPE (INSPECTION / TEST / REFURBISH / REPLACE)	FREQUENCY	RESPONSIBILITY
1.	Differential Pressure Gauges	Check for differential pressure.	Monthly	IMD
		Replace	As and when required	Service Provider
2.	Pressure Switches.	Calibrate	As and when required.	Service Provider
		Replace	As and when required.	Service Provider
3.	ITABAR Flow Sensor	Clean for dirt build up.	As and when required.	IMD
		Replace	As and when required.	Service Provider
4.	Pressure Transmitter Type P62	Check for zero.	As and when required.	IMD
		Factory Calibration	As and when required.	Service Provider
		Replace	As and when required.	Service Provider
5.	Resistance Thermometer PT100	Clean with nonaggressive and nonabrasive liquid and softly cloud.	As and when required.	IMD
		Replace	As and when required.	Service Provider
6.	DP Sitrans P DS III	Check for calibration and calibrate if out of tolerance.	Yearly	IMD
		Replace	As and when required	IMD
7.	Dewpoint Sensor	Calibration	Yearly	Service Provider
		Check dewpoint temperature	Daily	IMD/Ops
		Replace	As and when required.	Service Provider
8.	CPU, Simatic S7-200	Fault analysis and repair faults.	As and when required.	Service Provider
		Replace	As and when required.	IMD
9.	Sigma Simatic Air Manager 4.0 Controller	Replace the buffer-battery.	As and when required.	IMD
		Fault analysis and repair faults.	As and when required.	Service Provider
		Replace	As and when required.	Service Provider
10.	Sigma Control 2	Fault analysis and repair faults.	As and when required.	Service Provider
		Replace	As and when required.	Service Provider
11.	Pneumatic Control Valve	Set up and stroking.	As and when required.	Service Provider.
		Replace	As and when required.	Service Provider
		Replace	Yearly	Service Provide
12.	Eco Control	Fault analysis and fault repairs.	As and when required.	Service Provider
		Replace	As and when required.	Service Provider
13.	Moisture Indicator	Visual Check	Weekly	IMD
		Replace	Yearly	Service Provider

Conclusion

The contractor to keep records and submit reports for all the scope executed. The report shall indicate what was executed, any abnormalities and some recommendations or warnings if any with aligned to good maintenance practices in a compressed air industry.

C3.3 Reports

The contractor to provide a failure mechanism report when requested.

- Quality control
- Signed risk assessment
- Signed QIP

C3.4 Spares

The employer provides all the spares required performing the works onsite; it's the responsibility of the *Service Provider* to inform the employer of the required spares 4 weeks before scheduling the works

Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning given to the abbreviation
OBL	Outside battery limits
SANS	South African National Standards
ISO	International Organization for Standardization
N/mm	Newton per millimetre
OSHAct	Occupational Health and Safety Act
CIDB	Construction Industry Development Board
PSR	Plant Safety Regulations
PTW	Permit to work

Management strategy and start up.

The *Contractor's* plan for the service

- *Contract* to ensure that they comply to works management requirements
- The *Contractor* must submit the plan to the *Project Manager* explaining in details how they are going to perform maintenance service throughout the service period.
- Monthly technical report to be submitted to the *Project Manager*
- Communication which this contract requires is communication in a form which can be read, copied and record (Writing is in the language of this contract).

Management meetings

Regular meetings may be convened and chaired by the *Supply Meeting*, date for the meetings will be communicated to the contractor.

Contractor's management, supervision and key people

Contractor must submit organogram to Project Manger

Documentation control

All contractual communications shall be in the form of writing. All that relates to this contract must be kept in one original file and one duplicate file which will be compiled by the Contractor's resources according to documentation management system.

Invoicing and payment

Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager's* payment certificate.

The *Contractor* shall address the tax invoice to
Eskom Holdings SOC Limited
Hendrina Power Station
PO Box X 1003
Pullenshope
1096

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 *Service Provider* submits signed daily logbooks in the case that a compensation event arises. Also, the *Service Provider* keeps and provides upon the request of the *Service Manager* these documents:

- Risk register form
- Attendance register of the site operator

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

N/A

Insurance provided by the *Employer*

The *Project Manager* will submit the insurances policies and certificates to the *Contractor* before the start date in terms of core clause 87.1.

Training workshops and technology transfer

N/A

Design and supply of Equipment

The contractor to submit any drawings of new installations to the contract manager

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

Equipment

None

Information and other things

Competency certificate

Management of work done by Task Order

n/a

Health and safety, the environment and quality assurance

Health and safety risk management

The Contractor shall comply with the health and safety requirements required by Eskom.

The Contractor is to ensure that all his personnel attend a Health and Safety Induction Course presented by *Employer* daily from 09:00 to 11:00, free of charge prior to commencement of any *works*. This is a two (2) hour course and is valid for the duration of one (1) year at Hendrina Power Station.

- a) The Contractor works strictly to regularly updated risk assessment.
- b) The Contractor ensures supervised and authorised entry into the plant.
- c) The Contractor ensures at all times compliance with the safety regulations imposed by any act of parliament, or any regulation or by law of any statutory authority.
- d) The Contractor complies with the Occupational Health and safety Act and Regulations, 1993 and all regulations made there under as well as the Employer's safety and operating procedures.
- e) The contractor acknowledges that he is fully aware of the requirements of all the above and undertakes to employ people who have received sufficient training that they can comply therewith.
- f) The Contractor undertakes not to allow anything to be done which will contravene any provisions of the act, regulations or operating procedures.
- g) All employees of the Contractor must attend a safety induction course before they are allowed to work on site. It is the responsibility of the Contractor to ensure that all employees have attended the safety inductions.
- h) The Contractor holds a Toolbox Talk and inspects all PPE before any work commences and keep written proof of such actions.
- i) The Contractor complies with all of the applicable procedures as required by the Employer, procedures available from the Employers Documentation Centre on request.
- j) The Contractor familiarizes himself with all permit requirements for work to be done on all plant systems and ensures that permits are applied for accordingly. The consultant specifically addresses all risks related to work in any area by means of a written and approved risk assessment, which is compiled in liaison with the Employer.
- k) The following risks have been identified by the Employer, and the Contractor shall include these in his risk assessment:
 - Injury caused by hand tools
 - High noise level
 - Falling when working at heights
 - Welding which may result in burning
 - Movement of stairs while walking
 - Falling into open trenches while walking
 -
- (l) Any tampering the Employer's fire equipment is strictly forbidden
- (m) All exit doors, fire escape routes, walkways, stairways, stair landings access to electrical distribution boards must be kept free of obstruction, and not be used for work or storage at any time. Firefighting equipment remains accessible at all walking
- (n) In a case of a fire, report the location and extent of the fire to the Electrical Operating Desk at extension 5555.
- (o) Take the necessary action to safe guard the area to prevent injury and spreading of the fire.
- (p) Employer provides the Contractor with the baseline risk assessment to use it as minimum requirement to compile a risk assessment identifying all the risks before the implementation commences, the risk assessment compiled by the Contractor will clearly show all the mitigating strategies in order to minimize all the possible risks.

Environmental constraints and management

The *Contractor* shall comply with the environmental criteria and constraints required by Eskom. The *Contractor* ensures that all equipment used in the designs conform to all applicable environmental legislation.

The *Contractor* adheres to the Employer's Environmental Management System that must meet the requirements for the code of Practice for Environmental Management System (EMS), ISO 14001:2004.

The EMS requirements are detailed in the latest revision of the following documents, which are available from the *Service Manager* on request, and include:

- The Hendrina Power Station Environmental Policy (HSPPIN005)
- The Environmental Emergency Preparedness Procedure (HSPPIN032)
- The Prevention & Cleaning of Oil Spills Procedure (HSPPIN003)
- The Waste Management Procedure (HSPPIN003)
- The Roles and Responsibilities Procedure (HSPPIN028)
- The EMS Non – Conformance , Corrective and Preventative Action (HSPPIN034)
- The relevant Environmental Management Programmes (EMP's) and Aspects on the Environmental Management System (EMS) database – this is continually changing and available from the Employer's Representative.
- Compliance to all relevant environmental legislation, as detailed in the latest version of the Hendrina Power Station Legal Register available from the Employers Representative.
- All operational procedures that includes environmental requirements, related to the works information or Scope of this contract.

The Contractor is responsible with any new environmental requirements, relative to works information or Scope that may come into effect as part of Employer's EMS during the duration of this contract

The Contractor is responsible to ensure representation at Environmental meetings that may require input for the updating of the EMS as well as training on an ad-hoc basis.

If there uncertainty around any environmental issues, the Employer's Environmental Department may be contacted on (013) 296 3011 or (013) 296 3013.

The Contractor shall comply with the environmental criteria and constraints stated in Annexure

Quality assurance requirements

QIP's from the *Contractor* shall be submitted to the system engineer for the approval before it can be used.

Procurement

People

Minimum requirements of people employed

The Service provider to employ suitably qualified personnel to carry out the contractual duties.

BBBEE and referencing scheme

Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings in a change to the Contractor's B-BBBEE status, the Contractor notifies the *Employer* within seven days of the change.

Subcontracting

Preferred subcontractors

N/A

Plant and Materials

Specifications

Any defected plant and or material being used by the Service Provider is to be corrected by the *Contractor* as per notification and Scope of work provided by the *Service Manager I* and operating personnel

Correction of defects

Any defect in Hendrina Power Station is to be corrected by the *Service Provider* within the notification period and new replacements are to be done as per instruction per *Service Provider*.

Contractor's procurement of Plant and Materials

N/A

Tests and inspections before delivery

Proof of testing to be provided

Plant & Materials provided "free issue" by the Employer

N/A

Working on the Affected Property

All the work shall be done in accordance with Plant Safety Regulations.

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

Contractor shall adhere to all cardinal rules.

People restrictions, hours of work, conduct and records

Contractor shall keep all the time sheets for all employees who will be on site at all times for the period of the contract.

Health and safety facilities on the Affected Property

Hendrina Power Station has a medical centre located inside the power station. Operation hours for the medical centre are from 07h00 am until 16h15 pm, any injuries that occur within this time frame are to be reported immediately to the Medical centre. Employee informs his/her supervisor and the supervisor is to accompany said employee to the medical centre. If the incident occurs outside of this time frame the responsible supervisor is to report the incident to Hendrina Proto team and the incident must be recorded first thing in the morning.

Environmental controls, fauna & flora

As per *Employer's* procedure: The Hendrina Power Station Environmental Policy (HSPPIN005)

Cooperating with and obtaining acceptance of Others

The *Contract Supervisor* shall communicate with the Boiler Engineering, Eskom QC and operating personnel to verify some of the defects and do inspections and signing of the IP's, Inspection sheets and the defects.

Records of Contractor's Equipment

N/A

Equipment provided by the Employer

Employer shall provide Overhead crane.

Site services and facilities

Provided by the Employer

Employer shall provide power supply, water, waste disposal, ablutions, and fire protection.

Employer supplies, free of charge, reasonable quantities of potable water required for the purposes of this contract from the existing points.

Power is available at the existing points. The *Contractor* provides his own portable 380V electrical distribution boards, and supply cables to and from the board, for all his power supply requirements to execute the works. The *Employer* connects distribution boards to 380 V electrical distribution boards, and supply cables to and from the boards, for all his power supply requirements to execute the works. The *Employer* connects distribution boards to a 380V three- phase AC power supply, only after the *Contractor* has submitted the valid Certificate of Compliance (COC). All Contractor's electrical distribution boards are earthed to the steel structure of the plant.

The *Employer* provides the *Contractor* access to identified existing ablution facilities.

The *Contractor* maintains the site to meet the requirements of the health and safety requirements as per the requirements of the *Service Manager*. The *Contractor* restores the site to its original state i.e clean and no rubble. Inspection is held by the Project Manager and signed off.

Supplier Development and Localization

N/A

Plant and Materials

Specifications

Any defected plant and or material being used by the Service Provider is to be corrected by the *Contractor* as per notification and Scope of work provided by the *Service Manager I* and operating personnel

Correction of defects

Any defect in Hendrina Power Station is to be corrected by the *Service Provider* within the notification period and new replacements are to be done as per instruction per *Service Provider*.

***Contractor's* procurement of Plant and Materials**

N/A

Tests and inspections before delivery

Proof of testing to be provided

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

All materials that have been catalogued, have materials numbers are kept to Eskom Hendrina materials management stores and will be issued to the *Contractor* on request.

Working on the Affected Property

All the work shall be done in accordance with the Plant Safety Regulations.

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

Security Arrangement

- a) The *Contractor* applies for permits at the Security gate, prior to the starting date.
- b) All *Contractors* personnel will be issued with a temporary access permit, which will contain the following information:
 - o Name
 - o ID Number
 - o Company
 - o Validity date
- c) In order to assist Protective Services with the using of permits and the identification of the personnel on site, the *Contractor* is to supply a list of all personnel that he intends using on site, at least 24-hours prior to entry of the Security Area. The list, identified with the *Contractor's* name, is to contain the following information:
 - o Employee name.
 - o Employee ID number
 - o *Employer's Representative* signature
 - o Copy of the first page of the ID book of every employee of the *Contractor*
- d) The *Contractor* personnel will be required to be in possession of their *Contractor's* permit at all times. All *Contractors'* permits must be submitted to Protective Service when the relevant personnel leave the site after completion of the *works*.

The *Contractor/s* visitors and all personnel conform at all times, to the security arrangements in force at the time.
- e) No unauthorized vehicles are allowed on site. Only *Contractor's* vehicles with displayed contract vehicle permit disks will be allowed on site. Contract vehicle Permit Applications should be directed to the *Employer's Representative*.
- f) The *Contractor* is restricted to the working areas associated with his place of work. The *Contractor* is forbidden to enter any other areas, and must ensure that his employees abide by these regulations.
- g) Lost or damaged permits may be re-issued at a cost to be paid to the *Employer* by the *Contractor*
- h) The wearing of falling device's (Harness etc.) on *Employer's* site is compulsory,
- i) Road sign's and the speed limit on site are adhered to. Vehicles may only be parked in designated areas.
- j) Personnel and vehicles entering and leaving the Site are subject to routing searches.
- k) The *Contractor* makes his own assessment of, and allows in his rates for those access problems that may be encountered.
- l) Cameras including cell phones with camera facilities must be declared and handed in at the Security reception.
- m) No fire arms, Ammunition or explosives are allowed on the Power Station premises.
- n) Reporting for duty under the influence of liquor or intoxicating substances is prohibited.
- o) No recruiting of casual Labor may be done on the Power Station premises, including the immediate area outside the Power station security gate.
- p) Control, lighting and watchman to the *works* where required.

People restrictions, hours of work, conduct and records

Contractor shall keep all the time sheets for all employees who be on site at all times for the period of the contract.

Health and safety facilities on the Affected Property

Hendrina Power Station has a medical centre located inside the power station. Operating hours for the medical centre are from 07h00 am until 16h15 pm, any injuries that occur within this time frame are to be reported immediately to the Medical centre. Employee informs his/her supervisor and the supervisor is to accompany said employee to the medical centre. If the incident occurs outside of this time frame the responsible supervisor is to report the incident to Hendrina Proto team and the incident must be recorded first thing in the morning.

Environmental controls, fauna & flora

The Contractor shall comply with the environmental criteria and constraints. Ensure compliance to environmental requirements as per Eskom Holdings SOC Limited and Statutory requirements: Atmospheric Pollution Prevention Registration certificate Number: 784 issued by the Department of Environmental Affairs and Tourism and National Environmental Management: Air Quality Act,2004 (ACT NO. 39 OF 2004

Cooperating with and obtaining acceptance of Others

The *Contractor* co –operates with Others in obtaining and providing information which they need in connection with the works. He co-operates with Others and shares the working Areas with them as stated in Works information as stated in the core clause 25.1

The *Employer* and *Contractor* provide services and other things as stated in the Works Information. Any cost incurred by the *Employer* as a results of the *Contractor* not providing the services and other things which he is to provide is assessed by the *Project Manager* and paid by the *Contractor* as stated on core clause 25.2.

Records of Contractor's Equipment

Equipment provided by the Employer

Employer shall provide overhead crane.

Site services and facilities

Provided by the Employer

Employer shall provide power supply, water, waste disposal, ablutions, and fire protection.

Employer supplies, free of charge, reasonable quantities of potable water required for the purpose of this contract from the existing points.

Power is available at the existing points. The *Contractor* provides his own portable 380V electrical distribution boards, and supply cables to and from the boards, for all his power supply requirements to execute the works. The *Employer* connects distribution boards to a 380V three- phase AC power supply, only after the *Contractor* has submitted the valid Certificate of Compliance, all Contractor's electrical distribution boards are earthed to the steel structure of the plant.

The *Employer* provides the *Contractor* access to identify existing ablation facilities.

The *Contractor* maintains the site to meet the requirements of the health and safety requirements of the health and safety requirements as per the requirements of the *Service Manager*. The *Contractor* restores the site to its original states i.e clean and no rubble. Inspection is held by *Project Manager* and sign off.

Provided by the *Contractor*

The following is included in the works:

- *Contractor* shall provide service as per scope of work and provide manpower.
- *Contractor* shall provide everything else necessary for providing the service.
- *Contractor* provides, at his cost, all connection fittings, pipe work, temporary plumbing, and pumps necessary to lead the water from the *Employer's* point of supply to the various points where it is required.
- *Contractor* provides his own portable 380V electrical distribution boards, and supply cables to and from the boards, for all power supply requirements to execute the works.
- The *Contractor's* Electrical distribution boards, shall comply with OHSA as referred to in the Electrical Installation Regulations and the Electrical Machinery Regulations.
- Each board brought to site has a certificate of Compliance issued by an accredited person.
- *Contractor's* electrical distribution boards are installed at the works on a time negotiated with the supervisor prior to the possession date.
- The *Contractor* maintains the site to meet the requirements of the health and safety requirements as per the requirements of the *Contract Manager*.
- The *Contractor* restores the site to its original state i.e clean and no rubble.
- Removal of redundant material to allocated sites.
- Inspection is held by the service manager and sign off.

Control of noise, dust, water and waste

All waste introduced to and/or produced on the Power Station's premises by the *Contractor* for his contract, must be handled in accordance with the minimum requirements for the Handling and Disposal of Hazardous Waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry Act. 1994 Ref: ISBN0621-16295-5.

NOTE: There is no dumping or disposal site at Hendrina Power Station. The nearest registered dumping site is approximately 55 Km from the Station.

Hook ups to existing works

N/A

Tests and inspections

Proof of testing to be provided.

Description of tests and inspections

N/A

Materials facilities and samples for tests and inspections

N/A

