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| Eskomlogo 2002 Black |

NEC3 Term Service Contract (TSC3)

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| --- | --- | --- |
| **Between** | **ESKOM HOLDINGS SOC Ltd**  **(Reg No. 2002/015527/30)** | |
| **and** | **Eskom Rotek Industries SOC Ltd**  **(Reg No. 1990/006897/30 )** | |
| **for** | **The mechanical maintenance of the Common Plant and the Common Plant Workshops at Grootvlei Power Station as well as the Raw Water Treatment Plant and Supply Plant at Vaaldam.**  Insert title of the service | |
|  |  | |
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|  |  |  |
| **CONTRACT No.** |  | |
|  |  | |
|  |  | |
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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 mechanical maintenance of the Common Plant and the Common Plant Workshops at Grootvlei Power Station as well as the Raw Water Treatment Plant and Supply Plant at the Vaaldam.

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.

Delete the row for the Options which do not apply

|  |  |  |
| --- | --- | --- |
| Options A | The offered total of the Prices exclusive of VAT is |  |
|  | Sub total |  |
|  | Value Added Tax @ 14% is |  |
|  | The offered total of the amount due inclusive of VAT is[[1]](#footnote-1) |  |
|  |  | |

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 | *(Insert name and address of organisation)* |  | Date |  |
| Tenderer’s CIDB registration number: | |  | | |

## 

## Acceptance

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

The terms of the contract, are contained in:

Part C1 Agreements and Contract Data, (which includes this Form of Offer and Acceptance)

Part C2 Pricing Data

Part C3 Scope of Work: Service Information

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

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

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Signature(s) |  |  |  | |
| Name(s) |  |  |  | |
| Capacity |  |  |  | |
| for the Employer |  | | | |
| Name & signature of witness | *(Insert name and address of organisation)* |  | 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

|  |  |  |
| --- | --- | --- |
| No. | Subject | Details |
| 1 | N/A | N/A |

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

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | For the tenderer: |  | For the Employer |
| Signature |  |  |  |
| Name |  |  |  |
| Capacity |  |  |  |
| On behalf of | *(Insert name and address of organisation)* |  | *(Insert name and address of organisation)* |
| Name & signature of witness |  |  |  |
| Date |  |  |  |

C1.2 TSC3 Contract Data

# Part one - Data provided by the *Employer*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Clause** | | Statement | Data | | | |
| 1 | | General |  | | | |
|  | | The *conditions of contract* are the core clauses and the clauses for main Option: |  | | | |
|  | |  | **A: Priced contract with price list** | | | |
|  | | dispute resolution Option | **W1: Dispute resolution procedure** | | | |
|  | | and secondary Options |  | | | |
|  | |  | **X1: Price adjustment for inflation** | | | |
|  | |  | **X2 Changes in the law** | | | |
|  | |  | **X17: Low service damages** | | | |
|  | |  | **X18: Limitation of liability** | | | |
|  | |  | **X19: Task Order** | | | |
|  | |  | * Z: *Additional conditions of contract* | | | |
|  | |  | **Z1 Cession delegation and assignment** | | | |
|  | |  | **Z2 Change of Broad Based Black Economic Empowerment (B-BBEE) status** | | | |
|  | |  | **Z3 Ethics** | | | |
|  | |  | **Z4 Confidentiality** | | | |
|  | |  | **Z5 Waiver and estoppels** | | | |
|  | |  | **Z6 Health, safety and the environment** | | | |
|  | |  | **Z7 Provision of a Tax Invoice and interest.** | | | |
|  | |  | **Z8 Notifying compensation events** | | | |
|  | |  | **Z9 *Employer’s* limitation of liability;** | | | |
|  | |  | **Z10 Termination** | | | |
|  | |  | **Z11 Addition to Clause 50.4** | | | |
|  | | of the NEC3 Term Service Contract April 2013[[2]](#footnote-2) (TSC3) | If 2005 Edition is to be used delete “April 2013” and replace with “June 2005 with amendments June 2006”. Always delete this note before finalising this Data | | | |
| 10.1 | | The *Employer* is (name): | **Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa** | | | |
|  | | Address | **Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg** | | | |
|  | | Tel No. | **011- 800 2101** | | | |
|  | | Fax No. | **011- 800 5684** | | | |
| 10.1 | | The *Service Manager* is (name): | **Nomsa Vilakazi** | | | |
|  | | Address | **Grootvlei Power Station**  **Private Bag X**  **Grootvlei**  **2420** | | | |
|  | | Tel | **017 – 779 8897** | | | |
|  | | Fax | **086 585 5448** | | | |
|  | | e-mail | [**SimelaPT@eskom.co.za**](mailto:SimelaPT@eskom.co.za) | | | |
| 11.2(2) | | The Affected Property is | **Eskom’s property at Grootvlei Power Station inside the plant, in main stores and in workshops.** | | | |
| 11.2(13) | | The *service* is | **The contractor must undertake all mechanical maintenance on the Common Plant: Water Treatment Plant, Oil Skimmers, Reverse Osmosis plant, Coal Handling System, Ash Handling System, Ash Water Return System, Effluent Plant, Fire System, Compressor Plant, Fuel Oil Plant, Liquid Petroleum Gas System, Auxiliary Cooling Water, Boiler Auxiliary Cooling, Turbine Auxiliary Cooling and maintain the Common Plant Workshops.**  **Vaaldam: Raw Water Treatment Plant and Supply Plant.** | | | |
| 11.2(14) | | The following matters will be included in the Risk Register | 1. Minor Financial loss together with minor injuries.  2. Inability of the contractor to perform the Works.  3. Injury *Contractor's* employees while working. Non-compliance to the OHSAct.  4. Risks of certain tasks to be identified beforehand.  5. Inability of the Contractor to perform the work at the required time. | | | |
| 11.2(15) | | The Service Information is in | **Part 3: Scope of Work and all documents and drawings to which it makes reference.** | | | |
| 12.2 | | The *law of the contract* is the law of | **the Republic of South Africa** | | | |
| 13.1 | | The *language of this contract* is | **English** | | | |
| 13.3 | | The *period for reply* is | **One (1) day** | | | |
| 2 | | The *Contractor*’s main responsibilities | **Data required by this section of the core clauses is also provided by the *Contractor* in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data** | | | |
| 21.1 | | The *Contractor* submits a first plan for acceptance within | **At the start of the contract.** | | | |
| 3 | | Time |  | | | |
| 30.1 | | The *starting date* is. | **01 April 2022** | | | |
| 30.1 | | The *service period* is | **60 Months** | | | |
| 4 | | Testing and defects | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data | | | |
| 5 | | Payment |  | | | |
| 50.1 | | The *assessment interval* is | **Four (4) weeks** | | | |
| 51.1 | | The *currency of this contract* is the | **South African Rand** | | | |
| 51.2 | | The period within which payments are made is | **Four (4) weeks.** | | | |
| 51.4 | | The *interest rate* is | **the publicly quoted prime rate of interest (calculated on a 365 day year) charged by from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and**  **(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption “Money Rates” in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor 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 *mutatis mutandis* 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 | **There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data** | | | |
| 7 | | Use of Equipment Plant and Materials | There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data | | | |
| 8 | | Risks and insurance |  | | | |
| 80.1 | | These are additional *Employer*'s risks | **1. Should the Station close the contract will be terminated** | | | |
|  | |  |  | | | |
|  | |  |  | | | |
| 83.1 | | The *Employer* provides these insurances from the Insurance Table | **as stated for “Format TSC3” available on** *http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS\_Policies\_*  *From\_1\_April\_2014\_To\_31\_March\_2015.aspx*  **(See Annexure A for basic guidance)*.*** | | | |
| 83.1 | | The *Employer* provides these additional insurances | **as stated for “Format TSC3” available on**  *http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS\_Policies\_*  *From\_1\_April\_2014\_To\_31\_March\_2015.aspx*  **(See Annexure A for basic guidance)** | | | |
| 83.1 | | The *Contractor* provides these additional insurances: |  | | |
| 83.1 | | The minimum amount of cover for insurance against loss and damage caused by the *Contractor* to the *Employer*’s 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/Tenders/InsurancePoliciesProcedures/Pages/EIMS\_Policies\_*  *From\_1\_April\_2014\_To\_31\_March\_2015.aspx* | | | |
| 83.1 | | The insurance against loss of or damage to the *works*, Plant and Materials is to include cover for Plant and Materials provided by the *Employer* for an amount of |  | | |
| 83.1 | | The minimum amount of cover for insurance in respect of loss of or damage to property (except the *Employer*’s property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the *Contractor*) arising from or in connection with the *Contractor*’s Providing the Service for any one event is: | **whatever the *Contractor* deems necessary in addition to that provided by the *Employer*.** | | | |
| 83.1 | | The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the *Contractor* arising out of and in the course of their employment in connection with this contract for any one event is: | **As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the *Contractor’s* 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)..** | | | |
| 9 | | Termination | **There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.** | | | |
| 10 | | Data for main Option clause |  | | | |
| **A** | | **Priced contract with price list** |  | | | |
| 20.5 | | The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than | **Two (2) weeks.** | | | |
| 11 | | Data for Option W1 |  | | | |
| W1.1 | | The *Adjudicator* | **the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see** [**www.ice-sa.org.za**](http://www.ice-sa.org.za)**). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).** | | |
|  | | Address |  | | | |
|  | | Tel No. |  | | | |
|  | | Fax No. |  | | | |
|  | | e-mail |  | | | |
| W1.2(3) | | The *Adjudicator nominating body* is: | **the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see** [**www.ice-sa.org.za**](http://www.ice-sa.org.za) **) or its successor body.** | | | |
| W1.4(2) | | The *tribunal* is: | **arbitration** | | | |
| W1.4(5) | | The *arbitration procedure* is | **the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.** | | | |
|  | | The place where arbitration is to be held is | **South Africa** | | | |
|  | | The person or organisation who will choose an arbitrator   * if the Parties cannot agree a choice or * if the arbitration procedure does not state who selects an arbitrator, is | **the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.** | | | |
| 12 | | Data for secondary Option clauses |  | | | |
| **X1** | | **Price adjustment for inflation** |  | | | |
| X1.1 | | The *base date* for indices is | **[●].** | | | |
|  | | The proportions used to calculate the Price Adjustment Factor are: | **proportion** | **linked to index for** | **Index prepared by** | |
|  | | Labour | **86.10%** | **Actual Labour All hourly rate** | **SEIFSA Table C3** | |
|  | | Material | **3.90%** | **Material** | **SEIFSA Table G,PPI** | |
|  | |  |  |  |  | |
|  | | Fixed | **10%** | **non-adjustable** |  | |
|  | |  |  |  |  | |
| **X2** | | **Changes in the law** | **There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.** | | | |
|  | |  |  | | | |
| **X17** | | **Low service damages** | **The *Contractor* will be penalised up to a maximum of 10% of the task order value based on the service level table** | | | |
| X17.1 | | The *service level table* is in | **Appendix A** | | | |
| **X18** | | **Limitation of liability** |  | | | |
| X18.1 | | The *Contractor*’s liability to the *Employer* for indirect or consequential loss is limited to | **R0.0 (zero Rand)** | | | |
| X18.2 | | For any one event, the *Contractor*’s liability to the *Employer* for loss of or damage to the *Employer*’s property is limited to | **the amount of the deductibles relevant to the event described in the “Format TSC3” insurance policy available on** *http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS\_Policies\_*  *From\_1\_April\_2014\_To\_31\_March\_2015.aspx* | | | |
| X18.3 | | N/A | *N/A* | | | |
| X18.4 | | The *Contractor*’s total liability to the *Employer*, for all matters arising under or in connection with this contract, other than the excluded matters, is limited to | **the total of the Prices other than for the additional excluded matters.**  **The *Contractor’s* total liability for the additional excluded matters is not limited.**  **The additional excluded matters are amounts for which the *Contractor* is liable under this contract for**  **loss of or damage to property (other than the *Employer*’s property, Plant and Materials),**  **death of or injury to a person and**  **infringement of an intellectual property right.** | | | |
| X18.5 | | The *end of liability date* is | **Twelve (12) months after the end of the *service period*.** | | | |
| **X19** | | **Task Order** |  | | | |
| X19.5 | | The *Contractor* submits a Task Order programme to the *Service Manager* within | **Three (3) days of receiving the Task Order** | | | |
| **Z** | | **The *additional conditions of contract* are** | **Z1 to Z11 always apply.** | | | |
|  | |  | | | | |
| **Z1** | **Cession delegation and assignment** | | | | |
| Z1.1 | The *Contractor* does notcede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer.* | | | | |
| Z1.2 | Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry. | | | | |
|  |  | | | | |
| **Z2** | **Joint ventures** | | | | |
| Z2.1 | If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract. | | | | |
| Z2.2 | Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf. | | | | |
| Z2.3 | The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing. | | | | |
|  |  | | | | |
| **Z3** | | **Change of Broad Based Black Economic Empowerment (B-BBEE) status** | | | |
| Z3.1 | | Where a change in the *Contractor’s* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor*’s B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change. | | | |
| Z3.2 | | The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*. | | | |
| Z3.3 | | Where, as a result, the *Contractor’s* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor*’s obligation to Provide the Service. | | | |
| Z3.4 | | Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93. | | | |
|  | |  | | | |
| **Z4** | **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 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;  warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and  undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing. | | | |
| 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 the last paragraph of core clause 61.3 and replace with:  If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices. | | | | |
|  |  | | | | |
| **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 in core clause 63 and X19.11 if Option X19 Task Order applies to 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 business rescue order granted against it. | | | | |
|  |  | | | | |
| **Z12** | ***Employer’s* right to review the contract** | | | | |
| Z12.1 | The *Employer* will review the contract after twelve (12) months and reserve the right to reduce the number of people or to terminate the contract if the service is no longer required | | | | |
|  |  | | | | |
| **Z13** | **Supplier Development and Localisation** | | | | |

**Local Production and Content**

Eskom Rotek Industries SOC (Ltd) submitted a proposal for Local Content and Production, which was evaluated and scored as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Criteria** | **Weight** | **Target** | **Proposed** |
| Local content to South Africa | 20% | 100%% | 100% |
| Procurement Local to Site | 20% | 10% | 10% |
| Procurement from BWO | 20% | 8% | 3% |
| Procurement from SBE | 20% | 8% |  |
| Skills development | 20% |  |  |
| Total Score | 100.00% |  |  |

The local content as percentage of the proposal price will be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

LC = 1 - x 100

|  |  |
| --- | --- |
|  |  |

# 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. The Contractor must obtain its own advice. 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/Tenders/InsurancePoliciesProcedures/Pages/EIMS\_Policies\_

Fr*om\_1\_April\_2014\_To\_31\_March\_2015.aspx*

C1.2 Contract Data

# Part two - Data provided by the *Contractor*

|  |  |  |
| --- | --- | --- |
| Clause | Statement | Data |
| 10.1 | The *Contractor* is (Name): |  |
|  | Address |  |
|  | Tel No. |  |
|  | Fax No. |  |
| 11.2(8) | The *direct fee percentage* is | **%** |
|  | The *subcontracted fee percentage* is | **%** |
| 11.2(14) | The following matters will be included in the Risk Register |  |
| 11.2(15) | The Service Information for the *Contractor*’s plan is in: |  |
| 21.1 | The plan identified in the Contract Data is contained in: |  |
| 24.1 | The key people are: |  |
|  | 1 Name: |  |
|  | Job: |  |
|  | Responsibilities: |  |
|  | Qualifications: |  |
|  | Experience: |  |
|  | 2 Name: |  |
|  | Job |  |
|  | Responsibilities: |  |
|  | Qualifications: |  |
|  | Experience: |  |
|  |  |  |
|  |  | **CV's (and further key person's data including CVs) are in .** |
| **A** | **Priced contract with price list** |  |
| 11.2(12) | The *price list* is in |  |
| 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 *price list* | **X** |

C2.1 Pricing assumptions: Option A

# How work is priced and assessed for payment

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

|  |  |  |
| --- | --- | --- |
| **Identified and defined terms** | 11  11.2 | (12) The Price List is the *price list* unless later changed in accordance with this contract. |
|  |  | (17) The Price for Services Provided to Date is the total of  the Price for each lump sum item in the Price List which the *Contractor* has completed and  where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the *Contractor* has completed by the rate. |
|  |  | (19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate. |

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

# Function of the Price List

Clause 54.1 in Option A states: “Information in the Price List is not Service Information”. This confirms that instructions to do work or how it is to be done are not included in the Price List but in the Service Information. This is further confirmed by Clause 20.1 which states, “The *Contractor* Provides the Service in accordance with the Service Information”. Hence the *Contractor* does **not** Provide the Service in accordance with the Price List. The Price List is only a pricing document.

# Link to the *Contractor*’s plan

Clause 21.4 states “The *Contractor* provides information which shows how each item description on the Price List relates to the operations on each plan which he submits for acceptance”. Hence when compiling the *price list*, the tendering contractor needs to develop his first clause 21.2 plan in such a way that operations shown on it can be priced in the *price list* and result in a satisfactory cash flow in terms of clause 11.2(17).

# Preparing the *price list*

Before preparing the *price list*, both the *Employer* and tendering contractors should read the TSC3 Guidance Notes pages 14 and 15. In an Option A contract, either Party may have entered items into the *price list* either as a process of offer and acceptance (tendering) or by negotiation depending on the nature of the *service* to be provided. Alternatively the *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in the *price list* to be prepared and priced by him.

It is assumed that in preparing or finalising the *price list* the *Contractor:*

* Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;
* Understands the function of the Price List and how work is priced and paid for;
* Is aware of the need to link operations shown in his plan to items shown in the Price List;
* Has listed and priced items in the *price list* which are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer’s* risk;
* Has priced work he decides not to show as a separate item within the Prices or rates of other listed items in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.
* Understands there is no adjustment to items priced as lump sums if the amount, or quantity, of work within that item later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the (lump sum) Prices is as a result of a compensation event.

## Format of the *price list*

(From the example given in an Appendix within the TSC3 Guidance Notes)

Entries in the first four columns in the *price list* in section C2.2 are made either by the *Employer* or the tendering contractor.

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

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

If the *Contractor* is to be paid a Price for an item proportional to the length of time for which a service is provided, a unit of time is stated in the Unit column and the expected length of time (as a quantity of the stated units of time) is stated in the Expected Quantity column.

**C2.2 the *price list***

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Description** | **Unit** | **Quantity** |  | **Rate** | **One Month** | **No of Months** | **Contract Total** |
|  |  |  |  |  |  |  |  |
| **Section 1** | | | | |  |  |  |
| **Preliminaries and General** | | | | |  |  |  |
| **Preliminaries and General: Establishment (once off)** | | | | |  |  |  |
| **Office Facilities** |  |  |  |  |  |  |  |
| Establishment of office and boardroom facilities including air conditioning | Sum | 1 |  |  |  | 1 |  |
| Establishment of dining/eating facilities to fit 100 people including air conditioning and plumbing and drainage | Sum | 1 |  |  |  | 1 |  |
| Establishment of toilet and change room facilities for females and males including plumbing and drainage | Sum | 1 |  |  |  | 1 |  |
| Provision of furniture and dining equipment | Sum | 1 |  |  |  | 1 |  |
|  | | | | | | | |
| **Preliminaries and General: SHEQ (Annualy)** | | | | |  |  |  |
|  |  |  |  |  |  |  |  |
| **Safety/Personal Protection Equipment** |  |  |  |  |  |  |  |
| Safety file | Sum | 1 |  |  |  | 1 |  |
| Safety and medical induction | Each | 50 |  |  |  | 5 |  |
| Standard personal protective equipment | Each | 50 |  |  |  | 5 |  |
| Arc flash suits | Each | 50 |  |  |  | 5 |  |
| Masks (2 per person – cloths) | Each | 50 |  |  |  | 5 |  |
|  | | | | | | | |
| **Preliminaries and General: General costs (Monthly)** | | | | |  |  |  |
|  |  |  |  |  |  |  |  |
| **Transport** |  |  |  |  |  |  |  |
| LDV's Double Cab | Month | 3 |  |  |  | 60 |  |
|  | | | | | | | |
| **Consumables** |  |  |  |  |  |  |  |
| Consumables - Sugar and Tea, etc | Month | 1 |  |  |  | 60 |  |
| Consumables (Sanitary and cleaning materials) | Month | 1 |  |  |  | 60 |  |
| Stationery and office expenses | Month | 1 |  |  |  | 60 |  |
|  | | | | | | | |
| **Communication** |  |  |  |  |  |  |  |
| Cellphone allowance - Manager | Month | 1 |  |  |  | 60 |  |
| Cellphone allowance - Supervisor | Month | 3 |  |  |  | 60 |  |
|  | | | | | | | |
| **Section 2** | | | | |  |  |  |
| **Management and Labour Maintenance** | | | | |  |  |  |
| **Description** | **Unit** | **Hours** | **Quantity of resources** | **Rate** | **Total/ month** | **No of mnths** | **Total amount** |
|  |  |  |  |  |  |  |  |
| Site Manager | Hours | 173 | 1 |  |  | 60 |  |
| Supervisor | Hours | 173 | 3 |  |  | 60 |  |
| Administrator | Hours | 173 | 1 |  |  | 60 |  |
| Safety Officer | Hours | 173 | 1 |  |  | 60 |  |
| Storeman | Hours | 173 | 1 |  |  | 60 |  |
| Fitter | Hours | 173 | 15 |  |  | 60 |  |
| Diesel Mechanic | Hours | 173 | 1 |  |  | 60 |  |
| Boilermaker | Hours | 173 | 2 |  |  | 60 |  |
| Rigger / Crane Driver | Hours | 173 | 2 |  |  | 60 |  |
| Welder Class “A” | Hours | 173 | 2 |  |  | 60 |  |
| Artisan Assistant | Hours | 173 | 21 |  |  | 60 |  |
|  | | | | | | | |
| **Overtime @ 1.5 factor** | | | | |  |  |  |
| Supervisor | Hours | 85 | 1 |  |  | 60 |  |
| Safety Officer | Hours | 10 | 1 |  |  | 60 |  |
| Storeman | Hours | 30 | 1 |  |  | 60 |  |
| Fitter | Hours | 90 | 4 |  |  | 60 |  |
| Diesel Mechanic | Hours | 10 | 1 |  |  | 60 |  |
| Boilermaker | Hours | 40 | 1 |  |  | 60 |  |
| Rigger / Crane Driver | Hours | 60 | 1 |  |  | 60 |  |
| Welder Class “A” | Hours | 30 | 1 |  |  | 60 |  |
| Artisan Assitant | Hours | 45 | 7 |  |  | 60 |  |
|  | | | | | | | |
| **Overtime @ 2 factor** | | | | |  |  |  |
| Supervisor | Hours | 45 | 1 |  |  | 60 |  |
| Safety Officer | Hours | 20 | 1 |  |  | 60 |  |
| Storeman | Hours | 20 | 1 |  |  | 60 |  |
| Fitter | Hours | 40 | 4 |  |  | 60 |  |
| Diesel Mechanic | Hours | 20 | 1 |  |  | 60 |  |
| Boilermaker | Hours | 20 | 1 |  |  | 60 |  |
| Rigger / Crane Driver | Hours | 20 | 1 |  |  | 60 |  |
| Welder Class “A” | Hours | 20 | 1 |  |  | 60 |  |
| Artisan Assitant | Hours | 45 | 7 |  |  | 60 |  |
|  | | | | | | | |
|  | | | | | | | |
| **Description** | **Unit** | **Day** | **Quantity of resources** | **Rate** | **Total /month** | **No of months** | **Total amount** |
| **Section 2** | | | | |  |  |  |
| **Standby allowance** | | | | |  |  |  |
| Standby allowance | Day | 35 | 16 |  |  | 60 |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| **TOTAL COSTS FOR 1 MONTHS EXCL. VAT** | | | |  |  |  |  |
| **FIXED COSTS** | | | |  |  |  |  |
| **TOTAL ESTIMATED CONTRACT COSTS FOR 60 MONTHS EXCL. VAT** | | | |  |  |  |  |

**The above overtime quantities are estimates. Should a need arise for any of the resources to work additional overtime hours the additional overtime will first be approved by the Employer.**

Part 3: Scope of Work

|  |  |  |
| --- | --- | --- |
| **Document reference** | **Title** | **No of pages** |
|  | This cover page | 1 |
| C3.1 | *Employer*’s Service Information |  |
| C3.2 | *Contractor*’s Service Information  (insert at award stage or delete if not applicable) |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  | Total number of pages |  |

Employer’s service Information

# Description of the *service*

## Executive overview

The *Contractor* must undertake all mechanical maintenance on the:

Common Plant - Vaal Dam pumping station and pipeline, Water Treatment Plant, Oil Skimmers, Reverse Osmosis Plant, Coal Handling System, Ash Handling System, Ash Water Return System, Effluent Plant, Fire System, Compressor Plant, Fuel Oil Plant, Liquid Petroleum Gas System, Pollution dams, Terminal Resevoirs, Auxiliary Cooling Water, Boiler Auxiliary Cooling, Turbine Auxiliary Cooling and maintain the Common Plant Workshops. The *Contractor* shall also be responsible for the refurbishment and repairs on all the pumps on the common plant, which will include strip, assess, spares handling, quality checks, machining (limited to the machines in the workshop) manufacturing of parts where needed, assembly etc.

## Summary of the *service*

The *Contractor* is responsible for all aspects of maintenance and this includes, but is not limited to, the following:

* Staffing and management
* Work/task planning and co-ordination
* Completing work/tasks
* Recommendations regarding spares and stock holding
* Input into the Life Cycle planning process
* Attending daily meetings
* Budgeting
* First line investigations into plant failures and incidents
* Ensure compliance with legislation and national standards
* Ensure compliance with Eskom policies and procedures
* Maintain good housekeeping in the common plant areas.
* Ensure that the common plant systems meet safety, environmental and other statutory requirements in accordance with Eskom Grootvlei procedures and policies.

The *Contractor* maintains an all year round base crew, with applicable hand tools and consumables required for the *service* at Grootvlei Power Station. The base crew personnel are to be qualified and in possession of a valid trade test certificate. The *Contractor* manages the base crew and appoints a site manager. The *Contractor* must provide details of the personnel that will be used, along with qualification and training records.

The *Contractor* maintains the Common plant systems to ensure that the facilities are kept in a good workingorder and as per specifications. Maintenance is planned and shutdowns are scheduled and agreed on well inadvance.

The *Contracto*r maintains the Common Plant System which entail:

* Compiling a maintenance plan and obtaining approval from the *Service Manager*;
* Compiling and updating the maintenance manual;
* Keeping records of all maintenance done;
* To provide all the required tools to perform the work and to provide all required consumables;
* Maintaining the Common Plant System during scheduled maintenance periods;
* Maintaining the Common Plant System at shutdowns
* Execute the maintenance plan

The *Contractor* maintains the Common Plant System with all its facilities in a sound condition and ensures that it remains in the same condition as received and hands it back to the *Employe*r in the same condition.

The *Contractor* is responsible for the assessment of the maintainability of the plant. The *Contractor* provides proposals for improvement of maintainability for the consideration of the *Service Manager*. The general maintenance philosophy is as per Grootvlei Maintenance strategy developed in 2006. If the need arises for consultation with the Original Equipment Manufacturer (OEM), the *Contractor* shall get permission from the *Service Manager*, before engaging with the OEM.

All equipment must be maintained according to the philosophies and recommendations of the OEM and/or Eskom. The *Contractor* must ensure compliance to Eskom standards, policies and procedures at all times. This includes but is not limited to:

Running/routine maintenance.

* Preventative maintenance.
* Corrective maintenance.
* Emergency breakdown maintenance.
* Standby duties during normal hours as well as for call out purposes after hours.
* Commissioning activities as when required

Planned maintenance

* Interim and mini general overhaul

The *Contractor* shall perform any other mechanical maintenance requirements at no additional costs. This mechanical maintenance requirements include but is not limited to mechanical construction, mechanical installation, mechanical demolition, mechanical extension and mechanical modification as deemed necessary by the *Service Manager*.

## *Employer’s* requirements for the *service*

The *Employer’s objectives for this contract* includes, but is not limited to, the following:

* Maintaining the common plant at Grootvlei power station
* Encourage a long-term commercial relationship with the *Contractor* based on mutual trust, commitment to goals and an understanding of each party’s expectation and values. Innovation and open communication shall be encouraged;
* Ensuring that the *Contractor* provides consistent availability of cost effective strategic maintenance services to the *Employer* as preferred customer;
* Ensure the application, implementation and development of appropriate maintenance policies and updating of maintenance techniques;
* Develop performance standard which support the *Employer*’s reliability and optimised availability targets;
* The *Contractor* shall provide adequate resources capabilities to support the *Employer*’s objectives. The *Contractor* shall develop contingency plan to mitigate this risk for skill availability.
* The *Employe*r will provide Integrated Business Improvement (IBI) training and safety induction to the *Contractor*. This training is compulsory to the *Contractor* and *Contractor’*s staff.
* The *Contractor* shall ensure that the sub-contractor’s provide a detailed training program to the *Contractor* and *Employer.*
* Maintain good housekeeping in and around the plant
* The *Contractor* shall provide a day crew for normal working hours as well as a standby crew of at least one supervisor, three artisans and three assistants.
* All breakdowns on plant in service as well as standby plant, will be treated as emergencies and the *Contractor* will work on a 24/7 basis until the breakdown is fixed. The *Contractor* shall at all times be responsible for the supervision of its employees, agents, Subcontractors and mandatories.
* The *Contractor* shall take out Permit(s) To Work as per the Eskom Plant Safety Regulations to all external *Contractors* performing work within the plant areas of this contract.
* All work will be scheduled and executed according to the works management system.
* In the case of an unprotected strike, the *Contractor* shall provide labour (at no additional costs) for the service of this contract to continue uninterrupted.

## The *service*

The information given is indicative only. However, it is the *Contractor‘s* responsibility to ensure that all mechanical systems and equipments are identified and maintained. The *Contractor* must conduct a site survey and confirm that the information is accurate. Any corrections must be brought to the attention of the *Employer* before the commencement date**.** The following plant areas are included in the *service.*

**Mechanical Workshop:**

All equipment contained in the workshop:

Churchill Denham Lathe; Tos Lathe; Colchester Lathe; Dashin Lathe; Rema Pedestal Grinder; Rema Pedestal Grinder; Koppel Pedestal Grinder; Abarboga Pedestal Drill; Chevalier Surface Grinder; Great Captain Power Saw; Tosan Circular Saw; H.M.V. Slotter Saw; Ormerod Shape; Milling machine; Richmond Radial Arm Drill; H5 Radial Arm Drill; Tool and Cutter Grinder; Sander.

**Water Treatment Plant (Potable Water and Demin Plant):**

The boundaries start at the terminal reservoirs and includes all the treatment processes up to the reticulation systems for both the demin water as well as potable water.

**Ammonia Mixing and Dozing Plant**

All equipment contained and associated with the ammonia mixing and dozing**.**

**Coal Plant:**

Boundary start at the coal trucks offloading points at the coal stockyard, the bypass stream and the tippler in loading bays includes, but is not limited to the weigh bridges, in-loading bay system, coal stockyard, buffalo feeder, coal staithes, coal distribution conveyor system, bunker tripper car chutes and up to the bunkers. (included)

**Ash Handling:**

Boundary start at ash water return (AWR) pump suction line, including the isolation valves. All the AWR pumps, dosing equipment, valves pipelines, up to the dust hopper sliding gate valves and all the piping leading up to the ash boxes, including the sluice pumps, hydrovacs, sealing water pumps, hopper cooling pumps as well as all the valves and piping associated with them. The ash boxes and the dust hoppers are excluded from the scope, but from the outlet of the ash boxes and the outlet of the hydrovacs, everything is included, up to the ash line outlets on the ash dam. This will include but is not limited to all the sluiceways, lifting liners, sluiceway nozzles, ash sumps, submersible pumps, ash pumps, ash lines, ash line valves, plinths, Johnson couplings etc.

**Compressor Plant:**

The complete compressed air system, including all the compressors, air receivers, air driers, valves and piping system will be included in the scope of work, although there will be another *Service Provider* appointed by the *Employer* who will beresponsible for the service of the air compressors and the air driers. The *Contractor* takes responsibility of the maintenance of this plant.

**Service Water:**

Responsibility starts at the flange after the suction valve of the service water pump to the unit tundishes including the ring mains. The responsibility also includes the interconnection to the Fire System and the Hydrants on the turbine side.

Responsibility extends to the tap offs going to the following plants: Hydrogen Plant, Compressor Plant, Seal Water Pumps and conductivity analysers up until the first inlet isolation valve of each system and includes the return ring main which collects all water from the respective tundishes and returns it to the main cooling tower pond via a single main.

**Fire Water:**

Responsibility starts at the suction lines of the fire protection pumps and includes all pumps, piping, valves, bulbs etc. and includes all air supply systems for the dry systems.

`

**Effluent Plant:**

All mechanical equipment associated with the effluent plant, including, valves, pumps, piping etc.

**Oil Skimmers**

All equipment associated with the oil skimmer systems on the station drains and the east terrace dam.

# Reverse Osmosis (RO) Plant:

The scope will include the complete RO plant system, from the feed lines from the Cooling Water (CW) system to the outlets into either the CW system or the suction side of the cation pumps and will include all pumps, valves, clarifiers filters, membranes, dosing systems, piping etc.

**Auxiliary Cooling Water:**

All equipment associated with the auxiliary cooling water coolers and the cooling water mixed temperature water pits.

**Fuel Oil Plant:**

Grootvlei fuel oil pumping system consists of North and South Low Pressure fuel oil station with three (3) Low Pressure pumps per station and one High Pressure station with seven (7) High Pressure pumps.

Grootvlei uses fuel oil Bunker 150 and is delivered by road tankers to the Grootvlei.

The Low Pressure pump are each 100% duty pumps with the delivery of 14,3 m3/h (500kPa) providing suction for High Pressure pumps.

The High Pressure pumps are each 100% duty pumps with delivery of 18 m3/h .

There are High pressure control valves (PCV’s) which are used to control the High Pressure discharge common manifold pressure at 3650 kPa

Boiler burners requires a pressure of 3500 kPa and temperature (95° - 105°C)

Fuel oil plant starts from the off loading system including the flexible hose up to and including the first isolation valve on the boiler burners. This includes the common return manifold of fuel oil from the boiler burners including the High Pressure pump common return manifold to the Low Pressure system.

**Liquid petroleum gas (LPG):**

Responsibility starts from offloading system including the flexible hose up to the flexible hose in the unit. From the isolating from the LPG tank including the common manifold to each unit. This includes the emergency bottles supply to the units.

## Vaaldam:

The boundary starts at the intake pumps and ends at the terminal reservoirs and includes the intake pumps, clarifiers, dosing systems, potable water system, reservoirs, sludge pumps, sludge dams, reservoirs, tanks, high lift pumps, valves pipeline etc.

## Boiler sampling:

The complete sampling system, including valves, piping, coolers etc.

**Portable diesel pumps**:

All diesel pumps within the power station and surrounding areas as well as at Vaaldam.

# Maintenance, planning and scheduling

The planning, scheduling and recording of all plant history will be done by the *Contractor* via *Employer*’s SAP System. The *Employer*’s Plant Safety Regulation will be adhered to at all times and all supervisors, artisans and technicians are required to be authorized as responsible persons in terms of the Plant Safety Regulations(PSR). The Site Manager is required to attend and be competent in Plant Safety Regulations 1 & 2 as well as Operating Regulations for High Voltage Systems (ORHVS) every two years.

The *Contractor* should take note of all refurbished and/or new equipment which is subject to 12 months defects liability period from the Original Equipment Manufacturer (OEM). It is the *Contractor*’s responsibility to ensure validity of the defects liability where applicable. The *Contractor* is to prove compliance by keeping records of maintenance tasks executed by the *Contractor* as specified by the OEM.

The *Contractor* develops a detailed maintenance programme for the *service,* in line with the Power Station requirements and OEM specifications. The *Contractor* presents the programme for the acceptance by the *Service Manager.*

*The Contractor* maintains an all year round a base crew, with applicable hand tools and consumables required for the *service.*

The artisans are to be qualified and in possession of a valid trade test certificate. The *Contractor* shall verify the qualifications of all employees on an annual basis through a recognised and accredited verifications authority and submit proof thereof to the *Employer* by no later than 01 March each year.

The *Contractor* provides equipment, tools, special tools and consumables for the effective mechanical maintenance of the *service* .

The *Contractor* provides all necessary resources to provide the *service.* The training provided by the *Contracto*r for its employees should be in line with the *Employers’* standards and requirements.

The *Contractor* investigates the quantity, type and all related details required for the effective maintenance of all equipment that are part of the *service* as installed. From this information he determines maintenance

requirements for effective operation, maintenance and spares holding in accordance with the maintenance philosophies.

The *Contractor* to take reasonable care at all times to protect the Common Plant Systems, the Vaaldam and all items on site, belonging to the *Employer* from damage while providing the *Service.*

The *Contractor* develops action plans in support of maintenance philosophies of the Grootvlei Power

Station’s overall performance parameters from commissioning of the units.

The *Contractor* must comply and adhere to Grootvlei Power Station’s maintenance strategies, philosophies, policies and other related maintenance documents.

The *Contractor* confirms the completeness and accuracy of the Hardware Breakdown Structure (HBS) of

the Common plant systems for which the *Contractor* is responsible in terms of maintenance under this contract.

The *Contractor* develops action plans that support the maintenance philosophy with the *Employer* of

effective operation of the *service* specifying the following.

* Plant availability for planned maintenance
* Mechanical availability for operational requirements
* Maintenance resource requirements
* All working permits and logbook requirements
* Manpower plan for 24 hour operation to the approval of the *Service Manager.*

The *Contractor* will be responsible for the following maintenance on the plant as part of the maintenance programme:

## Running/routine maintenance

Running/routine maintenance comprises daily walk downs to confirm plant condition and to identify and address visible faults. All defects or potential failures will be recorded. Performance of plant in operation is monitored and optimised by the *Contractor.* During this walk downs, inspections are done on operating and standby plants. All defects or potential failures should then be recorded and corrective actions will be planned according to the defect priority. Where permit to work is required, the work will be planned with the Production Department. All routine maintenance will be done according to Original Equipment Manufacturer‘s instructions. Where history needs to be captured, defects will be raised on the SAP system and the history will be captured on Work Orders. Comprehensive reporting is to be submitted after each inspection.

## Preventative maintenance

In preventative maintenance, equipment is repaired and serviced before failures occur. Inspection assumes a crucial role in preventive maintenance strategies. The frequency of maintenance activities is pre-determined by schedules as per oem recommendation. The contractor is required to follow the preventative maintenance procedures and comply with the calibration, standards for process calibration equipment (ops 6105), to prevent potential breakdowns or failures of equipment. All history will be captured on work orders. A list of work orders will be available before the start of the contract, but can be altered to optimise the maintenance plan.

## Breakdowns / corrective maintenance

This refers to emergency breakdowns requiring immediate action to be taken. It is a corrective maintenance (retro-active strategy) whereby action is only taken when a system or component failure has occurred. The *Contractor* will be responsible for arranging all the resources (this includes but is not limited to manpower, spares, boom lift, fork lift, crane, lifting equipment, truck e.t.c) required to attend to the breakdown.The *Contractor* shall provide a 24-hour per day, 7-day per week stand-by service for emergencies/breakdowns/defects after the *Contractor’s* regular working hours and will be on site within 45 minutes of an after hours call-out. A Supervisor, three artisans as well as three assistants to be on stand-by, the supervisor andthe artisans on stand-by must be authorized as responsible person (RP) in terms of the Plant Safety Regulations (PSR). The *Contractor* shall at all times be responsible for the supervision of its employees, agents, subcontractors and mandatories.

The *Contractor* shall work in close collaboration with the *Employer’s* Production, Operating, Engineering, Projects, Outages and Integrated Risk Management Departments during emergencies/breakdowns/defects of plant and equipment with respect to the *Employer’s* existing standards, policies and procedures after hours (call-outs) as well as normal hours.

A breakdown report as well as a detailed recovery plan will be completed for each breakdown using the *Employer’s* call-out/breakdown form.

In addition to the repair of the breakdown, the *Contractor* will also conduct a thorough inspection in order to determine the root cause of the failure. Where necessary, the *Contractor* will recommend corrective actions to the *Service Manager.*

## Condition based maintenance / monitoring

The purpose of the reliability centred maintenance(rcm) and condition based maintenance (cbm) is to enable the monitoring of the performance, physical condition and potential failure modes of equipment. Although the Employer is responsible for condition monitoring, the Contractor will be required to participate in the rcm process.

## Planned maintenance

The Contractor is responsible for the execution of the outages activities during interim, mini general overall and general overall as per schedule provided by the Employer. The Contractor will perform all the work according to the scope of work for the specific plant within the duration of the outage. The outage scope determination for mechanical maintenance related activities are based on the type of outage. The Contractor is to ensure that all defects are corrected and that the plant is available when the unit is returned to service with the least impact on production and business performance

## Other activities

Other activities to be performed by the Contractor include commissioning activities (e.g. Testing of refurbished equipments and witnessing quality checks to ensure smooth handing over of the plant), investigations of faults clarification of problem areas, agc performance, review of planned maintenance program and parameter control (refer to appendix a) and assistance during return of refurbished units and any start up on units. Furthermore, the Contractor will perform any other mechanical maintenance related activities as deemed necessary by the Service Manager.

The Contractor shall do laser alignment on all equipment repaired/serviced/installed within the scope of work of this contract. The equipment includes but is not limited to: pumps, gearboxes, couplings, pulleys, plummer blocks and drive systems and any other alignment deemed necessary by the Service Manager.

The Contractor shall replace all idlers when it is run to failure.

The Contractor shall do all welding, fabrication and welding related work as the need arises performing the service as required by the scope of works of this contract as well as welding work deemed necessary by the Service Manager.

The Contractor shall be responsible for the maintenance and repair of all gratings, steps etc. Within the boundaries of this contract and or deemed necessary by the Service Manager.

The Contractor shall do all rigging and rigging related work as required while performing the Service as stated in the service information or deemed necessary by the Service Manager.

The Contractor shall at all times install emergency portable pumps at any area within the boundaries of this contract to draw out water as and when required. These pumps will be supplied by the Employer.

## Condition monitoring and lubrication

All condition monitoring services will be provided by the Employer as directed by the Contractor. Should the Contractor require specific technical assistance with condition monitoring, then these issues may be presented to the Employer and the Employer’s appointed condition monitoring specialist.

In all cases, the Contractor remains responsible for all lubrication and greasing related requirements even though a separate contractor is in place to render such service. All lubrication requirements to be submitted through the employer or a person designated by the Employer. If assistance as mentioned above is not forthcoming, the Contractor will seek assistance from a third party condition monitoring specialist.

All lubricants and lubrication services (including sampling and analysis) will be provided by the Employer as directed by the Contractor. Should the Contractor require specific technical assistance with tribology, then these issues may be presented to the Employer and the Employer’s appointed tribology specialist.

In all cases, the Contractor remains responsible for lubrication and greasing issues. If assistance as mentioned above is not forthcoming, the Contractor will seek assistance from a third party tribology specialist.

The Contractor is responsible for the lubrication and greasing but is not limited to all couplings, pulleys, plummer blocks and drive systems.

## Plant performance and improvement studies

The Contractor will initiate and maintain a programme to monitor plant performance and will conduct studies into possible avenues for improvement. Typical areas of investigation are:

Existing liabilities

Reviewing and comment on the engineering and design

Maintainability

The above reviews relate areas refurbished during the return to service and weekly reviews will be conducted by the Contractor and the Employer.

The findings of the programme must be presented in writing to the review meeting for consideration by the Employer. The Employer will not be obligated to implement such recommendations if it is not deemed to be economically viable or to the benefit of the power station.

# Maintenance procedures

The contractor will be required to undertake the following activities or duties:

The writing and/or revising of eskom plant and work related procedures.

The writing and/or revising of eskom quality control documents and programs.

Safe work procedures.

Work instructions

# Performance measures

The performance of the *Contractor* will be measured on a monthly basis and will be reported by the *Contractor* in a monthly meeting.

## Low Service Level Table

The low service level table in appendix a will be used to monitor the critical performance measures and will result in a maximum penalty of 10% of the total task order value for that particular month if the criteria was not met.

Note:

The Contractor will provide the Service Manager with the training programme including milestone for staff competency.

# Cleaning of the work area

The Contractor will be responsible for the cleaning of the surfaces and surrounding areas on each of the areas where work has to be performed. On completion, all oil and grease spillages will be properly cleaned and other materials will be removed and disposed of by the Contractor in accordance with the Employer’s policies and procedures. In case where the services of a subcontractor have been obtained by the Contractor, the Contractor shall also be responsible for the cleaning of the work area.

# Workshop management

The Contractor will staff and operate the mechanical workshop and sandblasting workshop. The Contractor may use these facilities during the execution of the works and will also provide a service to the employer or the Employer’s appointed contractor. Such service will be provided at no extra cost, although the direct material costs will be for the account of the Employer or the Employer’s appointed Contractor on a “cost plus” basis as indicated in the Contractor’s offer and separate orders will be provided based on the normal procurement practices of the power station.

The Contractor may schedule any external request to optimise the work flow of the workshops, but will give priority to breakdown work causing (or which may cause) a load loss.

The Contractor will maintain all the equipment contained in the workshops and ensure that they are in proper working order after the contract has expired. The Contractor will develop a detailed maintenance programme for the equipment, in line with the power station requirements and original equipment manufacturer (oem) specifications. The Contractor presents the programme for the acceptance of the Service Manager.

Some of the office accommodation in the mechanical workshop is supplied for use of the Contractor until the end of the contract without office furniture.

# Management strategy and start up

## The *Contractor’s* plan for the *service*

The *Contractor* supplies the *Employer* with their *Contractor’s* plan. The *Contractor* must submit the *Contractor’s* plan at the inception of this contract. The *Contractor’s* plan must include but is not limited to the following:

* Quality management system implementation programme.
* A Quality Control Plan (QCP) for each Task Order with hold, witness and verification points for the *Employer* to check and monitor progress.
* Safety plan including implementation programme.
* Staff Qualifications and experience and/or time frame for appointment of staff.
* A programme and resource schedule for the *service* and for each Task Order. Bar charts or other reporting formats, as may be required by the *Employer*, are provided for all Task Orders indicating start, inspection and completion dates, resources and costs.
* Names of the possible /potential candidates/employees.
* Any staff replacement should be accepted by the *Employer* and the replacement must meet the conditions stipulated above

Programmed maintenance will be carried out during the *Contractor’s* working hours and as required in terms of the 24 hour standby provision. In case of any major breakdowns, a repair plan of action must be submitted to the *Employer* within 3 hours. Repair work must commence no later than the time agreed between the *Employer* and the *Contractor* on his plan of action.

The following reports are required as supporting documentation to the program:

* Time analysis print-out
* Critical activities report
* Key event report

Planning and scheduling meetings will be held when necessary and the *Employer* will inform the *Contractor* of the format and time of these meetings.

During the latter stages of completing the *service* and prior to delivering notice of Completion, the *Contractor* submits his plan for demobilisation to the *Service Manager* for acceptance.

The *Contractor* submits a procurement schedule for the procurement and receipt of Equipment and sub-contracts by the *Contractor* and a monthly status report of all such Equipment.

The *Contractor* commences with the work in accordance with the *Contractor’s* plan, and completes the *service* not later than the Completion Dates indicated on the *Contractor’s* plan.

If the *Contractor* fails to complete any part of the *service* according to the *Contractor’s* plan or it becomes apparent to *Service Manager* that the *service* not to be completed according to the *Contractor’s* plan and if such failure is due to the *Contractor* then the *Contractor* submits his plan of action to the *Service Manager* to deal with the delay and the *Contractor* reports daily on the success of his plan of actio

## Constraints on the *Contractor’s* plan for the *service*

An assessment of work done will be conducted on the 25th of each month. If agreed, the *Contractor* will invoice the *Employer* within a day from the assessment and the *Contractor* shall submit the invoice with the agreed amount to the Accounts Payable Section and not to the *Service Manager.*

All Subcontractors are to be *Employer* approved contractors/vendors/suppliers. If the *Contractor* is uncertain of the approval status of the contractors/vendors/suppliers, the *Contractor* formally requests from the *Service Manager* confirmation of the status. In case of emergency the *Contractor* will be informed telephonically and he/she will be required to respond within an hour.

The *Contractor* does not procure the services of contractors/vendors/suppliers without the prior written approval of the *Service Manager.*

The *Contractor* submits weekly progress reports with copies of daily occurrence sheets attached. The daily occurrence sheet records all events, which may affect the compensation events. The *Contractor* may under no circumstances see or use, the submission of daily occurrence sheets and progress reports, as an Early Warning or Compensation Event notification, in terms of the Term Services Contract (TSC).

All replacement spares/parts should be approved by the *Service Manager* through a task instruction.

All work on plant must be done after a permit to work (PTW) has been issued or the limited access register (LAR) has been signed by an authorised/appointed person.

All Supervisors and artisans must be authorised as Responsible Persons (RP) within six (6) months from the contract commencement date. The Site Manager must also be competent on both the PSR and ORHVS 1 within 6 months of the contract start date.

## The requirements for the people employed

|  |  |  |  |
| --- | --- | --- | --- |
| **Designation** | **Qualifications** | **Experience** | **Plant Safety Regulations** |
| Site Manager | National Diploma (Mechanical Engineering) | Five years related experience | Theory |
| Supervisor | Nationale Diploma (Mechanical Engineering) | Three years related experience | Theory and Practical  (Responsible Person) |
| Administrator | Diploma (Administative Clerk) | Two years related experience | Limited Access Register |
| Fitter (Pumps) | Section 28 Trade | Five years | Theory and Practical  Responsible Person) |
| Fitter (Pumps) | N3 + Trade Certificate | Two years (Minimum) | Theory and Practical  (Responsible Person) |
| Fitter (Plant) | Section 28 Trade | Five years | Theory and Practical  (Responsible Person) |
| Fitter (Plant) | N3 + Trade Certificate | Two years (Minimum) | Theory and Practical  (Responsible Person) |
| Diesel Mechanic | Section 28 Trade | Five years | Theory and Practical  (Responsible Person) |
| Diesel Mechanic | N3 + Trade Certificate | Five years | Theory and Practical  (Responsible Person) |
| Boilermaker | Section 28 Trade | Five years | Theory and Practical  (Responsible Person) |
| Boilermaker | N3 + Trade Certificate | Two years (Minimum) | Theory and Practical  (Responsible Person) |
| Storeman | Matric | Three years related experience | Limited Access Register |
| Rigger/Crane Driver | Trade test certificate | Five years | Theory and Practical  (Responsible Person) |
| Rigger/Crane Driver | N3 + Trade Test | Two years | Theory and Practical  (Responsible Person) |
| SHEQ Officer | National Diploma (Safety Management) or SAMTRAC or Similar | Two years | Theory and Practical  Responsible Person) |
| Artisan Assistant | Matric | Two years | Limited Access Register |
| Class “A” Welder | N3 + Trade Certificate + Welder’s qualification test certificate (ISO 9606-1-2013) | Five years related experience | Theory and Practical  (Responsible Person) |

## Management strategy

The *Contractor* shall provide a person who will be continuously based at the power station and continuously represent the *Contractor*. The person shall be known as Site Manager (SM) and will be responsible for the following actions:

* Attend power station production meeting / safety meetings where he will be giving feedback and action plan for any problems related to this *Contract.*
* Compile monthly report which will contain the minimum following sub-sections which should be submitted every Friday:
  + Incidents
  + Near misses
  + Maintenance and repairs undertaken
  + Performance measures
  + Spares movement
  + Regulate PM’s integrity
  + Lowlights
  + Highlights
  + Training provided to Eskom staff
  + Any other legitimate requirement as dictated by the business

The *Contractor* will include other items in the report that may be of interest to the Power Station.

The *Employer* may add additional sub-section should a need arise, for interest of the power station.

The *Contractor* shall attend the daily morning meeting of the *Employer* to provide feedback and or updates as per the agenda of the meeting.

Hold weekly meetings with *Service Manager* and *Supervisor* where the weekly report will be discussed.

Hold safety meetings in accordance to health, safety and environments procedures.

Conduct and record pre-job and post-job briefings and safety talks.

## Management meetings

The *Employer* and *Contractor’s* senior manager / site manager must hold meeting on monthly basis where the following will be discussed:

* Review the overall performance of the contract.
* Formulate strategies to address loop holes should they be found.
* Review contract statutory compliance.
* Review major incident in connection with this contract
* Risk register and compensation events
* Overall contract progress and feedback

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

|  |  |  |  |
| --- | --- | --- | --- |
| **Title and purpose** | **Approximate time & interval** | **Location** | **Attendance by:** |
| Risk register and compensation events | Monthly in the Monthly Meetings | Grootvlei Power Station | *Employer*, *Contractor* and Quality Representative |
| Overall contract progress and feedback | Monthly in the Monthly Meetings | Grootvlei Power Station | *Employer*, *Contractor* and Quality Representative |
| Maintenance and repairs undertaken | Daily in the Morning Meetings | Grootvlei Power Station | Eskom Employees and *Contractors* |
| Breakdowns | Daily in the Morning Meetings | Grootvlei Power Station | Eskom Employees and *Contractors* |
| Inspection findings | Daily in the Morning Meetings | Grootvlei Power Station | Eskom Employees and *Contractors* |
| Incidents | Daily in the Morning Meetings | Grootvlei Power Station | Eskom Employees and *Contractors* |
| Load tests completed | Daily in the Morning Meetings | Grootvlei Power Station | Eskom Employees and *Contractors* |

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

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

## Documentation and control

The *Contractor* will ensure that the following documentation is kept in the *Employer*‘s documentation centre and captured on the SAP system (by the *Contractor*) for record and trending purposes:

* Works procedures (QA packages)
* Generic procedures to use test equipment
* Feedback and test results into SAP PM
* PM’s for all mechanical equipment
* History of all maintenance done
* *Contractor* to supply status on notifications and service cards if and when required.
* Check isolations and signs for plant safety permits as a responsible person.
* Ensures effective communication with customers.
* Liaises with the work scheduler to ensure that high priority jobs get preference over normal planned work.
* Liaises with the originator of the deviation to get a clear understanding of what is required to minimise delays and prevent confusion or rework.
* Maintain records and statistics
* Advice and design changes with relevant drawing on sequencing trip conditions if necessary.

## Invoicing and payment

Within one week of receiving a assessment certificate from the *Service Manager,* the *Contractor* provides the *Employer* with a tax invoice showing the amount due for payment equal to that stated in the *Service Manager*’s assessment certificate. No payment will be made on tax invoices not fully meeting the requirements. Invoices must be submitted to Eskom Holdings SOC Limited, Grootvlei Power Station, Accounts Payable Section (APS), Private Bag X, Grootvlei, 2024 and not to the *Service Manager.* The invoice date should be the service entry date provided by the *Employer.*

The *Contractor* shall 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;

An order number supplied to the Contractor on a monthly basis.

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

The *Employer* pays by bank transfer. The *Contractor* accepts the risk of incorrect bank transfers arising from changes to the *Contractor* banking information.

All payments are provisional and subject to audit.

The *Contractor* preserves his records for such a period as the Department of Internal Revenue may require. Should different periods be prescribed, the longest period applies, but in any event, records are retained by the *Contractor* for not less than five years.

The *Service Manager* deducts any amount owed by the *Contractor* to the *Employer* from any amount owed by the *Employer* to the *Contractor.*

The *Contractor* submits original invoices complying with the Value Added Tax Act.

## Training

The *Employer* will provide SAP and Plant Safety Regulations (PSR) training necessary for the *Contractor* in order to carry out the *service*.

The *Employer* will also provide the necessary software and access to the Power Station network to enable the *Contractor* to carry out the *service.*

The *Employer* will provide any training deemed necessary by the *Service Manager* for the *Contractor* to perform the *service*. The *Contractor* shall be obliged to carry out the *service* for which the training was provided.

The *Employer* will also provide Integrated Business Improvement (IBI) training to the Contractor. The *Contractor* to receive Integrated Business Improvement training.

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

### Equipment

Training materials should be submitted to the *Employer* for future reference and record keeping.

### Information and other things

All plant records will become the property of Eskom Generation after the contract has expired.

Advice and design charges with relevant drawing on sequencing trip conditions if necessary.

# Management of work done by Task Order

Work is to be done in accordance with the written Task Order issued by the Employer.

All work done is valued in accordance with the Price List unless otherwise specified. Actual quantities will be determined where applicable based on the requirements of each Task Order. The Contractor provides all necessary information required by the Employer to determine the cost at the assessment date for monthly costs and for each Task Order.

# Health and safety risk management

Cost of *Contractor*‘s medical examination, safety induction are for the *Contractor*‘s account.

The *Contractor* is responsible for procurement of Personal Protective Equipment (PPE) and equipment in accordance with the Occupational Health and Safety Act (OHSACT) and site specific requirements, including the use thereof as necessary.

The *Contractor* to submit material safety data sheets (MSDS) on all hazardous chemical substances to be used on site at the inception of this contract. The *Contractor* will not be allowed to use any hazardous chemical substances on site without permission by the *Employer.* All the chemical substances used in the power station must be in line with Specification for Chemical Products and Material used in a Power Plant (GGSS1181)

The *Contractor* must familiarise themselves with the waste management policies and procedures (GVLE001 and GVLE002) at the start of this contract.

The *Contractor* to ensure that all work performed is according to applicable standards, including, Safety, Health and Environmental Specifications for Contractors (GVLIR0007) which will be supplied by the *Employer.*

The *Contractor* must submit a safety policy and maintains the safety system until the completion of the whole *Service*. The safety policy will as a minimum, contain PPE information, written safe work procedures, job specific risk assessments, safety meetings, etc. This safety policy must comply to safe working procedures and it must be approved by the *Service Manager* prior to the commencement of any work.

The *Contractor* will be subject to periodic audits by the *Employe*r in order to ensure compliance with the policy. Any deviations will be corrected to the *Employer’s* satisfaction.

The *Service Manager* has the right to stop the *Contractor’s* work activities which, in the opinion of the *Service Manager* , is unsafe. The *Contractor* may only continue with work activities when all safety deficiencies have been corrected to the *Service Manager’s* satisfaction. The *Contractor* shall have no claim against the *Employer* in respect of delay due to the above.

*Contractor* to conduct job observation using SAP PM to monitor work practices.

The *Contractor* allocates staff to be trained and authorised as Responsible Persons(RPs) according to *Employer*’s Plant Safety Regulations and/or High Voltage Regulations. These Responsible Persons must be available on site as and when required to take out permits to work.

The *Contractor* ensures safety awareness at all times through continuous training.

The *Contractor* will be the *Employer* in terms of the Occupational Health and Safety Act(OHSA) 85 of 1993

All of the *Contractor*’s staff complies with the Grootvlei Site health and safety requirements titled “*Contractors’* Health and Safety Requirements – GVLIR 007

In carrying out its obligations to the *Employer* in terms of this contract; in Providing the *Service;* in using Plant, Materials and Equipment; and while at the Site for any reason, the *Contractor* complies and procures and ensure the compliance by its employees, agents, Subcontractors and mandataries with:

* the provisions of the Occupational Health and Safety Act 85 of 1993 (as amended) and all regulations in force from time to time in terms of that Act (“the OHSA”); and
* The health and safety plan prepared by the *Contractor* in accordance with the SHEQ Requirements.

(The OHSA, and Eskom Regulations are collectively referred to as the “SHEQ Requirements”.)

The *Contractor*, at all times, consider itself to be the “*Employer*” for the purposes of the OHSA and shall not consider itself under the supervision or management of the *Employer* with regard to compliance with the SHEQ Requirements, the *Contractor* shall furthermore not consider itself to be a subordinate or under the supervision of the *Employer* in respect of these matters. The *Contractor* shall at all times be responsible for the supervision of its employees, agents, Subcontractors and mandatories and shall take full responsibility and accountability for ensuring they are competent, aware of the SHEQ Requirements and execute the *Service* in accordance with the SHEQ Requirements.

The *Contractor* ensures that all statutory appointments and appointments required by any Eskom Regulations are made and that all appointees fully understand their responsibilities and are trained and competent to execute their duties. The *Contractor* supervises the execution of their duties by all such appointees.

The *Employer*, or any person appointed by the *Employer*, may, at any stage during the currency of this contract:

* conduct health and safety audits regarding all aspects of compliance with the SHEQ Requirements, at any off-site place of work, or the site establishment of the *Contractor*;
* refuse any employee, Subcontractor or agent of the *Contractor* access to the premises if such person has been found to commit an unsafe act or any unsafe working practice or is found not to be qualified or authorised in terms of the SHEQ Requirements;
* Issue the *Contractor* with a stop order should the *Employer* become aware of any unsafe working procedure or condition or any non-compliance with any provision of the SHEQ Requirements.

The *Contractor* immediately reports any incident and/or disabling injury as well as any threat to health or safety of which it becomes aware of on the Site to the *Service Manager.*

The *Contractor* appoints a person, qualified in accordance with the SHEQ Requirements, as the liaison with the Eskom Safety Officer for all matters related to health and safety, this person shall be contactable 24 hours a day.

The *Contractor* confirms that provided with sufficient written information regarding the health and safety arrangements and procedures applicable to the *service* to ensure compliance by it and all employees, agents, Subcontractors or mandatories with the SHEQ Requirements while Providing the *service* in terms of this contract. As such, the *Contractor* confirms that this contract and the relevant Eskom Regulations referred to in this contract constitute written arrangements and procedures between the *Contractor* and the *Employer* regarding health and safety for the purposes of section 37(2) of the OHSA.

The *Contractor* agrees that the *Employer* is relieved of any and all of its responsibilities and liabilities in terms of Section 37(1) of OHSA in respect of any acts or omissions of the *Contractor*, and the *Contractor’s* employees, agents or Subcontractors, to the extent permitted by the OHSA.

The *Contractor* hereby indemnifies the *Employer* and holds the *Employer* harmless in respect of any and all loss, costs, claims, demands, liabilities, damage, penalties or expense that may be made against the *Employer* and/or suffered or incurred by the *Employer* (as the case may be) as a result of, any failure of the Contractor, its employees, agents, Subcontractors and/or mandataries to comply with their obligations in terms of Section 37(1) of OHSA, and/or the failure of the *Employer* to procure the compliance by the *Contractor* , its employees, agents, Subcontractors and/or mandataries with their responsibilities and/or obligations in terms of or arising from the OHSA.

The *Contractor* shall comply with the health and safety requirements contained in Annexure \_\_\_\_\_\_\_\_\_\_\_ to this Service Information.

# Environmental constraints and management

The *Contractor* will implement an Environmental Management System (EMS) and will maintain the EMS until the completion of the whole of the works. The EMS will be to the *Employer’s* satisfaction and will be accepted prior to the commencement of any work on site.

The *Contractor* will be subject to periodic audits by the *Employer* in order to ensure compliance with the EMS. Any deviations will be corrected to the *Employer’s* satisfaction.

Furthermore, the *Contractor* will be familiar with and comply with Grootvlei Power Station’s environmental management policies and procedures. In particular, attention is drawn to Grootvlei Power Station’s environmental non-conformance procedure, waste management procedure and spill clean-up procedure.

The *Contractor* meets the following environmental requirements:

a) Storm water

The *Contractor* ensures that clean and polluted storm water is and remains separated. All drains are cleaned on a scheduled basis to ensure the drains working at all times

b) Contaminated soil

All contaminated soil out side the contained stock yard is removed and dumped at an approved and demarcated area.

c) Redundant Plant and Materials

Redundant Plant and Materials is removed from Site to the reclamation yard using the appropriate procedures. The Service *Manager* provides approval for all material to be removed from site to the reclamation yard*.*

e) General Control of Site Activities

The site is controlled in an environmentally responsible manner. Note the following: Noise and pollution levels for all construction equipment ismonitored and managed. Equipment with oil leaks, excessive emission, or unacceptable noise levels are repaired or removed from site. Temporary services are maintained in a good and proper manner.

f) Plant and material wash-down facilities, wash down of plant and material can only be done in areas designated by the *Service Manager.*

g) All drainage channels and pipes are kept clean at all times and special attention is given to clean the drains after the rain.

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

# Quality assusrance requirements

The *Contractor* implements a quality system and maintains the quality system until the completion of the whole of the *Works.* The system, will as a minimum, comply with the provisions of the ISO9001:2008 standard and Contract Quality Management(GVLT0391) . The system will be to the *Employer’s* satisfaction and will be accepted prior to the commencement of any work on site.

The *Contractor* is responsible for defining the level of Quality Control Plan (QCP) or inspections to be imposed. The level should be based on criticality of plant and material and must be submitted to the *Service Manager* for acceptance prior to the commencement of any work activities.

The *Contractor* compiles a data package of relevant drawings, test certificates, design checks and other technical information for each section of work or Task Order which is to be reviewed and signed off by the *Service Manager.*

The *Contractor* will be subject to periodic audits by the *Employer* in order to ensure compliance with the system. Any deviations will be corrected to the *Employer’s* satisfaction.

The *Service Manager* has the right to stop the *Contractor's* work activities which, in the opinion of Service *Manager*, does not meet the requirements of the system and will have a detrimental effect on plant performance.

The *Contractor* may only continue with work activities when all deficiencies have been corrected to the applicable standard. The *Contractor* shall have no claim against the *Employer* in respect of delay due to the above.

The *Contractor* ensures that all plant and materials for the *Service*  are to the standard and quality accepted by the *Employer* and ensures that they are suitable for the purpose intended by the manufacturer.

The *Contractor* will work according to the *Employer’s* standards, specifications, guidelines and procedures. Where no standards, specifications, guidelines and procedures are available, the C*ontractor* will work according to the Generation Quality manual and professional guidelines. Where possible, standards will be reflected in the Task Order.

# Limitations on subcontracting

All SubContractors are to be *Employer* approved *Contractors* / vendors / suppliers. If the *Contractor*

Is uncertain of the approval status of the *Contractors* / vendors / suppliers the *Contractor*formally requests

from the *Service Manager* confirmation of the status.

The *Contractor* does not procure the services of *Contractor*s / vendors / suppliers without the prior approval of the *Service Manager*. Furthermore the contract between the *Contractor* and the subcontractor must be aligned with these contracts.

No work shall commence without all employees having done safety and medical checks prescribed by the *Employer.*

The *Contractor* must submit a safety file at the inception of this contract.

The *Contractor* complies with all site regulations issued by the *Employer*

# Restrictions applicable to the *Contractor*

The *Contractor* is to be available during *Employer* working hours

The *Contractor* provides all necessary materials and uses his own equipment and labour.

All work valued in accordance with the Price List unless otherwise specified. Actual quantities will be determined where applicable based on the requirements of each Task Order. The *Contractor* provides all necessary information required by the *Employer* to determine the cost at the assessment date for monthly costs and for each Task Order.

Utmost care is taken not to damage any surroundings, Plants, roads or equipment in and around existing buildings. Any costs for damage done are for the account of the Contractor.

The *Contractor* may use any equipment he sees fit for the purpose as long as the use thereof does not damage or interfere with any Plant, buildings or roads. All equipment used shall be in good order and comply with all the relevant safety rules and regulations.

The *Contractor* and his employees are required to conduct themselves at all times in a proper and orderly manner while on the Employer’s premises.

The *Contractor* and his employees will, in particular, be required to refrain from spitting, smoking and cooking on open flames on the *Employer’s* premises. It must be noted that the *Employer* will take immediate steps to institute criminal investigation in the event of any suspected criminal activity.

# Procedures

## The *Contractor* must ensure the compliance to the following procedures and standards when performing mechanical maintenance activities at all times:

|  |  |  |
| --- | --- | --- |
| **Number** | **Title** | **Issued by** |
| Act 85 of 93 | Occupational Health and Safety Act | *Contractor* |
|  | Water treatment plant operating and control philosophy | *Employer* |
|  | GPS Water treatment plant maintenance plan (12 June 2006) | *Employer* |
| GGPP1065 | Power Plant Chemistry Policy | *Employer* |
| GGSS1181 | Specification for Chemical Products and Material used in a Power Plant | *Employer* |
| GGS 1407 | Control of plant erection, repair and maintenance welding activities | *Employer* |
| GGA1182 | The Control of Chemical Products in a Power Plant | *Employer* |
| GVLE001 | Environmental Policy | *Employer* |
| 240-29259745 | Environmental non-conformances, corrective and preventative action/s | *Employer* |
| 240-30854758 | Environmental spillage management procedure | *Employer* |
| 240-29828394 | Waste management procedure | *Employer* |
| 240-30008949 | Safety, Health and Environmental Specifications for Contractors | *Employer* |
| 240-30183131 | Plant Red Zone Area | *Employer* |
| 240-32496808 | Limited Acces Register | *Employer* |
| 240-36568981 | Authorisation and Re-authorisation | *Employer* |
| 240-37567213 | Working in Confined Spaces | *Employer* |
| 240-38476818 | Hot Work Procedure | *Employer* |
| 240-39136487 | Standby Call Out Management Procedure | *Employer* |
| 240-39281048 | Maintenance Strategy | *Employer* |
| 240-39281568 | Maintenance Process | *Employer* |
| 240-39548790 | Repair and replace skirting rubbers | *Employer* |
| 240-39548795 | Maintenance Procedure for Cation and Anion Pumps | *Employer* |
| 240-39548819 | Maintenance & refurbishment of AWR pumps | *Employer* |
| GVLT 090 | Infrequent used lifting beam management | *Employer* |
| GLVIR 0044 | Handling and Transportation of Injured Employees | *Employer* |
| GGR 0992 | Plant Safety Regulations | *Employer* |
| CFG 01 | Coal Plant Operating and Control Philosophy | *Employer* |
| ESKASAAU7 | Quality requirements for the procurement of assets, goods and services | *Employer* |
| GVLT 0391 | Contract Quality Management | *Employer* |
| GVLOB 0010 | Corporate Identity specifications manual | *Employer* |
| GVLTF 091 | Call out / Breakdown | *Empoyer* |
| 32 - 5 | Incident Management Procedure | *Employer* |
| 32 – 93 | Eskom Vehicle and Driver Safety Management | *Employer* |
| 32 – 136 | Construction Safety, Health & Environment Management | *Employer* |
| 32 – 421 | Cardinal Rules | *Employer* |
| 36 - 1159 | Standard numbering and date system | *Employer* |
| 36 - 583 | Cellular phone usage whilst driving and working | *Employer* |
|  | Non-permanent employees | *Employer* |
|  | Plant Layout | *Employer* |
|  | Site regualtions |  |

Note: These documents and standards may be reviewed from time to time. In all cases, the latest revision will be applicable, unless the *Employer* indicates otherwise in writing.

# Contractor’s procurement of Plant and Materials

## Spares and Consumables

The *Contractor* will provide all the required tools to perform the work and will provide all the required consumables, such as cleaning equipment. Where applicable, consumables will comply with OEM specifications and requirements. Spares that are not held in the station’s store will also be provided by the *Contractor* on “cost plus fee” mark-up as indicated in the *Contractor’s* offer and it must be authorised by the *Service Manager* first. Separate orders will be provided based on the normal procurement practices of the Power Station. All mechanical spare parts used by the Contractor will be OEM approved and will be the same make and type as the parts removed. Should equipment be obsolete and no longer available, the *Contractor* may install an alternative as agreed with the *Service Manager*.

No modifications may be made without the express written permission of the *Service Manager.* The *Service Manager* may only give such permission once the Modification Control Procedures of the station have been followed and completed.

## Stock

The *Contractor* liaises with the *Service Manager* to ensure than an adequate stock level and description of critical spare parts is maintained in the *Employer’s* stores. The *Contractor* must inform the *Service* *Manager* in writing should any changes to stock be necessary. The procurement of spare parts for stock is done by the *Employer.*

Spares held in stock, that are required for a maintenance activity, will be free issued by the *Employer.* The *Contactor* provides safe-guarding for all free issued spares from damage or loss due to weather, fire, theft or negligence.

# Working on the Affected Property

Grootvlei Power Station is situated approximately 3km from the N3 highway and is connected to it by means of a tarred road. Balfour lies 18km north east of power station, Villiers 30km south of power station and Heidelberg 40km north of power station

## *Employer*’s site entry and security control, permits, and site regulations

**Equipment**

Any equipment, or appliances, used by the *Contractor* conforms to the applicable OHS Act safety standards and is maintained in a safe and proper working condition. The *Service Manager* has the right to stop the *Contractor's* use of any equipment which, in the opinion of *Service Manager*, does not conform to the foregoing.

Off-loading and material handling equipment is not available on site and if required, is to be provided by the *Contractor*.

**Site Regulations**

Note that the speed limit on the site is 40 Km/h. The vehicle permit of any persons contravening any traffic act on site is cancelled.

The *Contractor* complies with the Grootvlei Site Regulations, a copy of which is available for perusal at the *Service Manager’s* offices.

Any subject within the authority of the *Service Manager* may be addressed by a Site Regulation.

Before work starts on site, an inaugural meeting is held with the *Contractor* and the *Service Manager* to explain all requirements of the Site Regulations.

The *Contractor* is issued with a file of current Site Regulations on arrival. The file remains the property of the *Service Manager* and the *Contractor* is responsible for its maintenance and updating as revised regulations are issued by the *Service Manager*.

The *Contractor* allocates staff to be trained and authorised as Responsible Persons according to *Employer’s* Plant Safety Regulations and/or High Voltage Regulations. These Responsible Persons are available on site as and when required to take out permits to work.

**Permits**

Daily meetings shall be held and chaired by the production department to discuss the next days permit requirements. All permit requests are required by 15:00 on the day prior to the permit being required. A 'no work' period between 06:00 and 07:00 is enforced during which the requested changes to the permit take place.

No work commences without the acceptance of the permit to work by the *Contractor’s* responsible person and all workers sign the workman’s register. The *Contractor* arranges for all supervisors, technicians, planners and artisans to be appointed as responsible persons for permit requirements. The plant safety regulations course can be done at any Eskom power station but the practical course is Grootvlei specific.

**Security**

The *Contractor* provides security necessary for the protection of the *works* at all times until the completion of the whole of the *service*.

The *Contractor* is informed of the access procedures through Site Regulations and note that such procedures may change depending on the prevailing security situation.

All persons entering the Grootvlei Site pass through the control points at the main access gate and are required to have temporary permits that are issued to *Contractor‘s* staff on request. All persons submit ID documents with the application for temporary permits. If it is necessary to bring equipment onto site a list is submitted which is verified by security staff prior to equipment entering the security area.

If any *Contractor‘s* staff are transferred from Grootvlei or leave site, the person’s permit is handed over to the *Employer*. The *Contractor* ensures that personnel leaving site are transported out of the security area and that the permit is returned.

No firearms, weapons, alcohol, illegal substances and cameras (including cell phones with cameras) are permitted on site. Any person suspected of being under the influence of alcohol is tested and if proved positive, is refused entry to the security area.

No “private work” is carried out for or on behalf of any Eskom employee.

The generator area and the other units are barricaded and out of bounds and only Authorised Persons are permitted. Areas outside the Site are out of bounds to the *Contractors* staff.

Under no circumstances shall the *Contractor* recruit outside Grootvlei Power Station’s security gate. An applicable local office for recruitment shall be used.

## People restrictions, hours of work, conduct and records

It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractor and the *Service Manager* shall have access to them at anytime. These records may be needed when assessing compensation events.

To ensure that the proper maintenance undertaken, the *Employer* will determine to the *Contractor* the intervals and these will only be undertaken in accordance with the relevant Eskom Standard, original equipment manufacturer standard and applicable national standards. The *Contractor* then will be required to submit a plan that will show the dates on which the job will be executed, the job description and the equipment number. This must be submitted once a year (starting when the contract begins) with all the dates of that particular year and if there are any changes the plan will be edited and re-submitted to the *Employer* immediately after the changes has been made. This type of a document will be kept in the system by both parties and each party will have a signed copy that will be kept in the file.

Employer’s Working Hours

The normal working hours are as follows:

Mondays – Thursdays: 07h15 – 16h30

Fridays: 07h15 – 12h15

Lunch breaks are 30 minutes from 12h00

The *Contractor* is required to stick to the *Employer’s* working times

## Health and safety facilities on the Affected Property

**Medical facilities**

The *Contractor* provides, at his cost, a First Aid service to his employees. In the case where these prove to be inadequate, like in the event of a serious injury, the *Employer’s* Medical Centre and facilities will be available.

Outside the *Employer’s* office hours, the *Employer’s* First Aid Services will only be available for serious injuries and life threatening situations.

The *Employer* will be entitled, however, to recover the costs incurred, for the use of the above *Employer’s* facilities, from the *Contractor.*

## Records of *Contractor*’s Equipment

The *Contractor* must declare his equipment by the security gate before he can enter the premises, and all the equipment must be listed on paper and a security officer must sign. The *Contractor* must keep that record and he will produce it by the security gate when he is leaving the premises with the equipment.

## Site services and facilities

### Provided by the *Employer*

**Site yard**

The *Contractor* is supplied with an off-terrace site area for his yard, inside the Power Station security fence, for his use during the full period of the works.

The *Contractor's* yard is subject to periodic inspection by the *Service* Manager.

The location of the nearest sewer manhole, power distribution point, potable water connection, storm water channel and road access point is indicated by the *Employer.* Connections to the interface points supplied by the *Employer* are the responsibility of the *Contractor.*

The *Contractor* complies with the environmental policy given in the Site Regulations.

The *Contractor* provides, erects and maintains for his own use adequate size office accommodation and stores together with such drainage, lighting, heating, and hot and cold water services as may be required. Provision is also made for adequate parking and a turning area adjacent to all the aforesaid structures. The *Employer,* prior to commencement of any work on site, accepts all designs and layouts for these provisions.

The *Contractor* includes in his establishment rates for all further treatment of the yard area that he

considers necessary for the entire operation throughout the contract and under all weather conditions. The *Contractor* includes for all security fencing, security and access arrangements. Maintenance of the yard is the *Contractor's* responsibility and to the *Service Manager's* acceptance.

Outfall drainage of all surface run-off drains is constructed by the *Contractor* to the acceptance of the *Service Manager* to minimise erosion and to effect control of contaminated water.

The *Contractor's* plan states fully what measures are taken regarding removal and storage of topsoil, stabilization of eroded areas and further loss of topsoil.

The *Contractor* dismantles and clears the yard of all such temporary structures and associated foundations and infrastructure at the direction of the *Employer* on completion of the whole of the works. No such dismantling and clearance work is carried out without prior acceptance from the *Employer.*

**Electricity**

All points of supply requested by the *Contractor* are provided in terms of quantity and location at the discretion of the *Service Manager.*

No connection is made to the permanent installation at the Power Station without the prior acceptance of the *Service Manager.*

No guarantees of power supply quality are given and power supply outages of some duration may occur without warning. Planned outages are also a possibility. The *Contractor* makes arrangements at his own expense to improve continuity and quality of power where necessary for any reason and no claim of any nature relating to power failures is considered.

220 and 380V power source will be available near the off-terrace site area. It is the *Contractor’s* responsibility to connect to this power source and obtain statuary certificate of compliance for such a connection or installation. The use of this power supply is used to cater for the *Contractor’s* office requirements and is not to be used for any construction purpose. Construction power is available to the *Contractor* within the main turbine and boiler house.

All installations or equipment connected to a supply of electricity provided free of charge by the *Employer* shall comply with all relevant safety regulations and requirements. Failure to comply with the safety requirements may lead to immediate disconnection.

The *Contractor* shall provide, at his own expense, all temporary wiring and cabling to lead power from the point of supply or distribution boards, to the various points where it is required, maintain same and remove on completion.

**Lighting**

Temporary local lighting in accordance with the requirements of the Factories Inspector shall be provided by the *Contractor* at his own expense. No local lighting will be provided by the *Employer,* with the exception of the lighting provided for sandblasting facilities. Area lighting immediately outside the boiler and turbine houses and stairway lighting is provided by the *Employer.*

**Ventilation**

The *Contractor* shall make his own allowance for adequate ventilation of the *service.*

**Compressed air**

Compressed air is available for the *service.* The variation of pressure in the air supply and or breakdown in the supply shall not be grounds for an extension of time or compensation if it causes a delay.

**Water**

The *Employer* provides a water connection point at the *Contractor’s* off-terrace site yard. The *Contractor* provides, at his own cost, all connection fittings, pipe work, temporary plumbing and pumps necessary to lead the water from the *Employer's* points of supply to the various points where it is required. The *Contractor* is responsible to maintain these facilities and to remove it at completion of the whole of the works.

The *Service Manager* does not guarantee continuity of supply and the *Contractor* makes his own provision for standby supplies to maintain continuity of work. Claims of any nature relating to discontinuity of water supply are not considered.

**Telecommunication**

The *Service Manager* makes available telephone connection points near the *Contractor’s* off terrace site yard. The *Contractor* makes the necessary arrangement with all local and national authorities in ensuring that the necessary connections are made to the telephone connection points provided by the *Service Manager.* The *Contractor* is responsible for the connection, rental and any monthly phone bills.

**Roads**

Main access roads are surfaced and complete and may be used by the *Contractor* with the necessary care. The *Employer* maintains the site roads, described above, to a fair condition. Any costs incurred by the *Service Manager* from damage caused to underground services, structures and the like as a result of the *Contractor* not using the prescribed routes, is recovered from the *Contractor.*

The *Contractor* provides temporary access points from the prescribed routes and roads to the points where the *Contractor* is required to perform work, having first obtained permission in writing from the *Employer.*

**Sanitary facilities**

All the *Contractor's* personnel are expected to make use of the Station Terrace sanitary facilities. The *Contractor* provides additional facilities as required at own cost.

**Lay down**

No plant, material and equipment lay down areas are permitted on the terrace. The *Contractor* delivers all plant, materials and equipment to the point of erection as and when needed. Plant, materials and equipment not used within 14 days are removed from the terrace and stored in the site yard.

**Safety and accident prevention**

The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Contractor* is expected to fully co-operate to achieve this objective. The *Contractor* will report any incident and accidents to Grootvlei Power Station within 24 hours.

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

**Confidentiality**

This document in its entirety is for the sole use of the *Employer.* No part of this document may be discussed, distributed, disseminated, copied or transmitted in any form to any third party without the prior consent of the *Employer.*

**Access to site**

The *Contractor* makes his own assessment of, and allows in his rates for those access problems that may be encountered. No extra payment or claim of any kind is allowed on account of difficulties of access to the works, or for the requirement of working adjacent to or in the same area as others.

Access to site shall be in line with the Grootvlei Power Station’s access procedure. The *Contractor* shall be required to make an application to enter site for the duration of the contract, including the warranty and defect period. A permit shall only be issued once the *Contractor* has attended the safety induction and has undergone medical checks.

All the assets must be declared and registered with security upon entering site. This includes portable assets such as a laptop. The record must be kept on the OV18 form. No asset shall be removed from site if the OV18 form is not attached.

The *Contractor* shall have no claim against the *Employer* in respect of delay at the security main gate.

All *Contractors’* permits must be returned to Protective Services on completion of the *service.*

**Accommodation and transportation**

The *Contractor* provides his own accommodation and transport for all his employees engaged in the execution of the *service.* This includes the needs of his subcontractors. The cost for accommodation, as well as for transportation to and from site is included in the Prices. No accommodation is available at Grootvlei Power Station.

**Environment**

The *Contractor* shall comply with Grootvlei Power Station’s environmental management system. This includes the identification, collection, storage, transportation and disposal of waste. Hazardous waste shall be disposed off in line with the applicable environmental legislation. It is important to note that all spillages must be cleaned immediately and reported to the *Service Manager* as soon as possible. It is the responsibility of the polluter to clean all spillages and for the rehabilitation of the polluted land.

**Recruitment of semi-skilled workers**

Eskom Holdings SOC Limited’s requirements regarding employment of semi-skilled workers are as follows:

“Grootvlei Power Station requires that during recruitment of unskilled or semi-skilled labour, a *Contractor* or its subsidiaries should make every effort to employ minimum target of 50% suitable candidates from all disciplines from the local community (Dipaleseng Municipality) and will only resort to other avenues if the local community cannot provide the requisite resources. To engage in the above recruitment process, you may contact the local Eskom Human Resources Manager at 017-779 8861” The *Contractor* shall under no circumstances be allowed to recruit labourer(s) at Eskom Grootvlei main security gate.

**Restrictions on the utilisation of local labourers**

The *Contractor* will be requested by the *Employer* to submit details of the qualifications, proof of residence and experience of all individual temporary workers for each category of personnel and specialists for which a rate has been submitted before any work commences.

# List of drawings

## Drawings issued by the *Employer*

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

|  |  |  |
| --- | --- | --- |
| **Drawing number** | **Revision** | **Title** |
| Drawing No.16279 |  | Coal Handling Plant – Sheet 1 of 5 (Coal Offloading) |
| Drawing No.16279 |  | Coal Handling Plant – Sheet 2 of 5 (Staith Feed Conveyors) |
| Drawing No.16140 |  | Condenser main and Auxiliary cooling water piping and instrumentation diagram(revision 5) |
| Drawing No.16259 |  | Ash Dam and Water Supply (Revision 3) |
| Drawing No. 16261 |  | Water treatment plant demin process cation-anion-mix bed production(five sheets) |
| Drawing No. 16264 |  | Raw water system intake pump system(four sheets) |
| Drawing No. 16265 |  | Outside Plant Water Treatment potable water process and instrumentation diagram(two sheets) |
| Drawing No. 16266 |  | Common Plant Station potable water diagram (two sheets) |
| Drawing No.16279 |  | Coal Handling Plant – Sheet 3 of 5 (Staith Reclaim Conveyors) |
| Drawing No.16279 |  | Coal Handling Plant – Sheet 4 of 5 (Incline Conveyors) |
| Drawing No.16279 |  | Coal Handling Plant – Sheet 5 of 5 (Bunker Conveyors) |
| Drawing No. 17616 |  | Outside Plant : Neutralization plant |
| Drawing No.18669 |  | Control Air Distribution to Auxiliary Plant and Unit 1 Boiler  And Turbine area(two sheets) |
| Drawing No.19346 |  | Boiler Auxiliary Cooling Unit 1 (Revision 1) |
| Drawing No.18669 |  | Control Air Distribution to Auxiliary Plant and Unit 1 Boiler  And Turbine area(two sheets) |

**Appendix A**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Criteria** | **Weight** | **Unit** | **Target** | **Penalty 3%** | **Penalty 5%** | **Penalty 10%** |
| Milestone target on repair (Slips) Breakdowns | 15% | Hrs | 8hrs | 8hrs to 24hrs | 24hrs to 48hrs | 48hrs & max |
| Rework (per plant area/activity vs targets) | 10% | Number | 0 | 2 | 5 | 10 |
| Compliance to PSR Authorisation | 10% | Percentage | 100% | 95% | 80% | 65% |
| Outstanding/ Non-Compliant PMs and CMs | 20% | Number | 0 | 1 | 3 | 5 |
| Call-out response time | 15% | Hrs | 45mins | 1hr to 2hrs | 2hrs to 3hrs | 3hrs & max |
| Non-conformance reports (NCR) issued to Contractor/ NCR Response overdue | 20% | Number | 0 | 2 | 4 | 6 |
| SHEQ audit findings | 10% | Number | 0 | 2 | 4 | 6 |

**Negligence or an act of omission from the *contractor* resulting in man hours loss, spares damage or any similar direct loss will be deemed as low service damages.**

**Contractor Name:**   
  
**Signature:**  
  
**Date:**

**Service Manager:**   
  
**Signature:**  
  
**Date:**

1. [↑](#footnote-ref-1)
2. [↑](#footnote-ref-2)