

PART 2: PRICING DATA
ECC3 Option A

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C2.1 Pricing assumptions: Option A

1. How work is priced and assessed for payment

Clause 11 in NEC3 Engineering and Construction Contract, (ECC3) Option A states:

Identified and defined terms	11	
	11.2	(20) The Activity Schedule is the <i>activity schedule</i> unless later changed in accordance with this contract.

(27) The Price for Work Done to Date is the total of the Prices for

- each group of completed activities and
- each completed activity which is not in a group.

A completed activity is one which is without Defects which would either delay or be covered by immediately following work.

(30) The Prices are the lump sum prices for each of the activities on the Activity Schedule unless later changed in accordance with this contract.

This confirms that Option A is a lump sum form of contract where the work is broken down into activities, each of which is priced by the tendering contractor as a lump sum. Only completed activities are assessed for payment at each assessment date; no part payment is made if the activity is not completed by the assessment date.

2. Function of the Activity Schedule

Clause 54.1 in Option A states: "Information in the Activity Schedule is not Works Information or Site Information". This confirms that specifications and descriptions of the work or any constraints on how it is to be done are not included in the Activity Schedule but in the Works Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Works in accordance with the Works Information". Hence the *Contractor* does **not** Provide the Works in accordance with the Activity Schedule. The Activity Schedule is only a pricing document.

3. Link to the programme

Clause 31.4 states that "The *Contractor* provides information which shows how each activity on the Activity Schedule relates to the operations on each programme which he submits for acceptance". Ideally the tendering contractor will develop a high level programme first then resource each activity and thus arrive at the lump sum price for that activity both of which can be entered into the *activity schedule*.

4. Preparing the *activity schedule*

Generally it is the tendering contractor who prepares the *activity schedule* by breaking down the work described within the Works Information into suitable activities which can be well defined, shown on a programme and priced as a lump sum.

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 his *activity schedule* and be priced accordingly.

It is assumed that in preparing his *activity schedule* the *Contractor*:

- Has taken account of the guidance given in the ECC3 Guidance Notes pages 19 and 20;
- Understands the function of the Activity Schedule and how work is priced and paid for;
- Is aware of the need to link the Activity Schedule to activities shown on his programme;

- Has listed and priced activities in the *activity schedule* which are inclusive of everything necessary and incidental to Providing the Works in accordance with the Works 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 activity within the Prices of other listed activities in order to fulfil the obligation to complete the *works* for the tendered total of the Prices.
- Understands there is no adjustment to the lump sum Activity Schedule price if the amount, or quantity, of work within that activity later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event.

An activity schedule could have the following format:

Butts Weld: Scope of works includes cut out of existing exhausted tubes and replace with new as highlighted the Drawings					
Item	Description	Unit	Est. Qty	Rate Ea	Total Price
1	SA 213 Grade T22 Tube no 5 – 9 47.6 OD x 9.14 Length 6200mm. 10 butts weld per element, 19 element.	each	380		
2	SA 213 Grade T22 Tube no 10 – 14 47.6 OD x 9.14 Length 8000mm. 10 butts weld per element, 19 element.	each	380		
3	A 213 Grade T22 Tube no 15 – 20 47.6 OD x 9.14 Length 9000mm. 12 butts weld per element, 19 element.	each	456		
4	A 213 Grade T22 Tube no 15 – 20 47.6 OD x 9.14 Length 11000mm. 12 butts weld per element, 19 element.	each	456		
5	SA 213 Grade T22 Tube no 21 – 25 47.6 OD x 9.14 Length 85000mm. 10 butts weld per element, 19 elements.	each	380		
6	SA 213 Grade T22 Tube no 21 – 25 47.6 OD x 9.14 Length 10600mm. 10 butts weld per element, 19 elements.	each	380		
7	SA 213 Grade T22 Tube no 26 – 31 47.6 OD x 9.14 Length 10200mm. 8 butts weld per element, 19 elements.	each	456		
8	213 Grade T22 Tube no 32 – 36 47.6 OD x 10.97 Length 10200mm.14 butts weld per element, 19 elements.	each	536		

NOTE:

The rates/prices are exclusive of VAT, but include all other related cost for this scope of work, bonuses for employees, accommodation.

Contractor:

.....
Print name

.....
Signature

.....
Date

Pre-Fabrication work (Transition Pieces). Total workshop butts = 26 per element. 494 butt weld for all 19 elements					
Item	Description	Unit	Est. Qty	Rate Each	Total Price
9	SA 213 GR. T22 CD to SA 213 GR. TP 347H, Tube No 5 to 9. Length of insert 150mm. 10 number of butt welds per element, 19 elements	each	380		
10	SA 213 GR. T22 CD to SA 213 GR. TP 347H, Tube No 10 to 14. Length of insert 150mm. 10 number of butt welds per element, 19 elements	each	380		
11	SA 213 GR. T22 CD to SA 213 GR. TP 347H, Tube No 15 to 20. Length of insert 150mm. 6 number of butt welds per element, 19 elements	each	228		
12	Welding of slip spacers - (outer -8600) & (twister -4300)	each	4300		
13	Responsible Person (Total amount)	LE	1		
14	Health & Safety (Total amount)	LE	1		
TOTAL PRICE EXCLUDING VAT					

Rates for the Contractor's Responsible Person					
Item	Description	Unit	Qty	Rate Each	Total Price
3.1	Monday to Friday: Responsible Person will be required to work dayshift. Working hours is seven to seven	Hrs			
3.2	Monday to Friday: Responsible Person will be required to work Nightshift. Working hours is seven to seven	Hrs			
3.3	Saturday: Responsible Person will be required to work dayshift. Working hours is seven to seven	Hrs			
3.4	Saturday: Responsible Person will be required to work Nightshift. Working hours is seven to seven	Hrs			
3.5	Sunday: Responsible Person will be required to work dayshift. Working hours is seven to seven	Hrs			
3.6	Sunday: Responsible Person will be required to work Nightshift. Working hours is seven to seven	Hrs			
3.7	Public Holiday: Responsible Person will be required to work dayshift. Working hours is seven to seven	Hrs			
3.8	Public Holiday: Responsible Person will be required to work Nightshift. Working hours is seven to seven	Hrs			
TOTAL PRICE, EXCLUDING VAT					

NOTE:

The above activity schedule is indicative for tender purpose. It is the responsibility of the contractor to submit a complete activity schedule. The contractor is allowed to break activities in sub activities if necessary. The activity schedule must be aligned to the programme and the method statement.

The *Contractor* prepares a method statement for each activity in the Activity Schedule and submits it to the *Project Manager* for acceptance prior to commencement of such activity.

The rates/prices are exclusive of VAT but include all other related cost for this scope of work such as, consumables, equipment, transport, bonuses for employees, accommodation etc.

Contractor:

.....
Print name

.....
Signature

.....
Date

HEALTH AND SAFETY

Item	Description	Qty	Price ea/ person	Total price
1	Medicals (only if annual medical certificate expired)		R	R
2	Health and Safety File	1	R	R
3	Safety Training		R	R
4	Health and Safety Officer		R	R
5	Hard hats- chain straps		R	R
6	Overalls		R	R
7	General purpose gloves		R	R
8	Shoes (Safety boots)		R	R
9	Welding shoe protector (caps)			
10	Hearing protection		R	R
11	Safety goggles			
12	Safety harnesses (with big hooks not small hooks)		R	R
13	Site Establishment		R	R
14	Site De-establishment		R	R
15	First Aid box for every 50 employees		R	R
16	Dust mask (FFP2/FFP3)		R	R
17	Welding gloves		R	R
18	Welding shield		R	R
19	Welding aprons		R	R
20	Covid-19 requirements	1	R	R
21	Thermal Suit	N/A	N/A	N/A
22	Special underwear – only cotton	N/A	N/A	N/A
23	Flash Suit	N/A	N/A	N/A
*24	Training:Appointed Operator - ORHVS (8 days)	N/A	Offer by Eskom	N/A
*25	Training:Appointed Person - PSR (10 days)		Offer by Eskom	N/A
*26	Training:Responsible Person - ORHVS & PSR (18 days)	N/A	Offer by Eskom	N/A
*27	Training: Authorised Supervisor - PSR (2.5 days)	N/A	Offer by Eskom	N/A
TOTAL VALUE FOR HEALTH AND SAFETY FOR THE TOTAL CONTRACT PERIOD				

The above prices excludes VAT

* Training:

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

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

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

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

Contractor:

PRINT NAME

SIGNATURE

DATE

ESKOM

KENDAL POWER STATION

RATES SCHEDULE FOR ANY COMPENSATION EVENT CALCULATIONS

Rates Schedule to apply on “as – and - when required” basis for any maintenance work, outside the scope of this contract and for any compensation event calculations

Item	Description	Rate per hour Normal time	Rate per hour Overtime and Saturday	Rate per hour Sundays and Public Holidays
1	Supervisor	R	R	R
2	Authorised Supervisor	R	R	R
3	Rigger	R	R	R
4	A class Welder	R	R	R
5	Responsible Person (RP)	R	R	R
6	Unskilled Labour	R	R	R
7	Semi-Skilled Labour	R	R	R
8	Skilled Labour	R	R	R
9	Fitter	R	R	R
10		R	R	R

NOTE:

- The above mentioned tendered prices are exclusive of Value Added Tax and CPA, but include all other costs related to this works such as, consumables, equipment, transport, bonuses for employees, accommodation etc.

CONTRACTOR:

.....
PRINT NAME

.....
SIGNATURE

.....
DATE

ESKOM

ESCALATION

Fixed prices/rates are preferred for the full contractual period. However, should the tenderers be unable to offer fixed prices/rates for full contractual period of three (3) years, the only escalation acceptable to Eskom will be as follows:

FIXED:

YEAR 1: 01/11/2022 – 31/10/2023

ESCALATION:

YEAR 2: 01/11/2023 – 31/10/2024

YEAR 3: 01/11/2024 – 31/10/2025

Description	Percentage (%)	Indices based on (e.g. SEIFSA)
Fixed	Minimum 15%	
TOTAL	100%	

Prices will be fixed for the first year. Thereafter, prices will be subject to an annual increase in accordance to indices stated above. 15% of the prices will remain fixed and 85% will be subject to escalation. Base date June 2022.

Please choose **one** of the following:

PRICES/RATES FIXED FOR FULL CONTRACTUAL PERIOD? YES ☐ NO ☐

OR

PRICE/RATES SUBJECT TO ESCALATION CLAUSE ABOVE? YES ☐ NO ☐

Contractor:

.....
PRINT NAME

.....
SIGNATURE

.....
DATE

C2.2 the *activity schedule*

Use this page as a cover page to the *Contractor's activity schedule*.