

## PART 2: PRICING DATA

### TSC3 Option A

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## C2.1 Pricing assumptions: Option A

### 1. How work is priced and assessed for payment

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

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

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

### 2. Function of the Price List

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

### 3. Link to the *Contractor's* plan

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

### 4. Preparing the *price list*

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

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

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

#### 4.1. Format of the *price list*

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

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

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

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

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

## C2.2 the *price list*

Item nr	Description	Unit	Qty	Hours/ Months	Hourly Rate	Total Price
	<b>Section 1</b>					
	<b><u>Preliminaries and General</u></b>					
	<b><u>Site Establishment (once off)</u></b>	1	1			
	<b><u>Site De-Establishment (once off)</u></b>	1	1			

	<b>Mobile plant</b>					
1	Site vehicle - 12 seater Kombi	monthly	1			
2	Site vehicle - 2 seater LDV	monthly	1			
3	Fuel	monthly	1			
	<b>Facilities</b>					
4	Office container (12m) kitchen & boardroom (we will be providing the following – Container 12x3M, Mech W/S x2)	sum	1			
5	Outfitting container - warm water, aircon, blinds, office furniture, safety, etc.	sum	1			
6	IT & infrastructure (Wi-Fi, cabling, 5 Laptops, 1 printer)	sum	1			
7	Chemical stores (745x1100x2200)mm	sum	1			
8	PPE stores container 6m	sum	1			
9	Consumable & tool stores container 6m	sum	1			
10	Toilet facilities container 12m M/F	sum	1			
11	Amenities (microwave, water kettles, fridge, heater etc.)	sum	1			
	<b>Safety</b>					
12	Personal protective equipment	sum	1			
13	Inductions and medicals	sum	1			

14	Certification / Training (yearly / as required by OHS act)	sum	1			
15	Safety file	sum	1			
16	Fire extinguishers, signage, first aid kits, etc.	sum	1			
	<b>Site running</b>					
17	Cleaning consumables	monthly	1			
18	P&G - Stationary, paper & filing & accessories	monthly	1			
19	Welding Consumables (320kg/Month est E7018 Rods)	monthly	1			

Item nr	Description	Unit	Qty	Hours/ Month s	Hourly Rate	Total Price
	<b>Section 2</b>					
	<b>Maintenance Normal Time</b>					
	<b><u>Office</u></b>					
1	Site Manager	Month	1	173		
2	Site Administrator/Planner /Material Controller	Month	1	173		
3	Safety Officer	Month	1	173		
4	Quality Personnel	Month	1	173		
	<b><u>Boiler Auxilliary</u></b>					
5	Supervisor	Month	1	173		
6	Mech Fitter	Month	2	173		
7	Semi - Skilled	Month	3	173		
8	Fire Watcher/Assistants	Month	3	173		
9	Boiler Maker	Months	1	173		
10	Welder B-class	Month	1	173		
11	Rigger	Month	1	173		
12	Rigger Assistants (Tacklers)	Month	3	173		
	<b>Maintenance - Overtime @1.5 factor Weekly and Saturdays</b>					

	<b>Maintenance Normal Time</b>					
	<b><u>Core Crew</u></b>					
13	Site Manager	Month	1	30		
14	Safety Officer	Month	1	30		
15	Quality Personnel	Month	1	30		
16	Site Administrator/Planner /Material Controller	Month	1	30		
17	Supervisor	Month	1	30		
18	Mech Fiitter	Month	2	30		
19	Semi – Skilled	Month	3	30		
20	Fire Watcher/Assistants	Month	3	30		
21	Boiler Maker	Month	1	30		
22	Welder B - Class	Month	1	30		
23	Rigger	Month	1	30		
24	Rigger Assistance (Tacklers)	Month	3	30		
	<b>Maintenance - Overtime @ 2 factor Sundays and Public Holidays</b>					
	<b>Maintenance Normal Time</b>					
	<b><u>Core Crew</u></b>					
25	Site Manager	Month	1	30		
26	Safety Officer	Month	1	30		
27	Quality Officer	Month	1	30		
28	Site Administrator/Planner /Material Controller	Month	1	30		
29	Supervisor	Month	1	30		
30	Mech Fitter	Month	2	30		
31	Semi - Skill	Month	3	30		
32	Assistants	Month	3	30		
33	Boiler Maker	Month	1	30		
34	Welder B - Class	Month	1	30		
35	Rigger	Month	1	30		
36	Rigger Assistants (Tacklers)	Month	3	30		

	<b>Equipment List</b>	<b>Unit</b>	<b>Qty</b>			
	Chain block 5 ton	Month	2			
	Chain block 3 ton x 9m	Month	2			
	Lever hoist 6T	Month	2			
	13T bow shackles	Month	4			
	Grinder 9"	Month	2			
	Grinder Baby	Month	2			
	Baking Oven (500°C)	Month	1			
	Hot Box (220V)	Month	1			
	Inverter (160Amp 220 VDC	Month	2			
	Remote hand Control (Uni-Remote 50m Cable)	Month	1			
	Argon Torch	Month	1			
	Cutting Torch	Month	1			
	Welding Machine	Month	2			
	Wire Sling 5T	Month	3			
	Nylon Sling 3T	Month	2			
	Remote Extension (Extention Reels 220V)	Month	2			
	Safety Harness	Month	3			
	1x10mmx3m sling	Month	2			
	2x10mmx1m	Month	2			
	<b>Outage Related Manpower Projections – we projecting to having 6 outages</b>					
	Supervisor	As and when	2			
	Quality Controller	As and when	2			
	Safety Officer	As and when	1			
	Rigger	As and	2			

		when				
	Rigger assistants	As and when	8			
	Mechanical Fitter	As and when	4			
	Semiskilled Fitter	As and when	4			
	Welder Class A	As and when	2			
	Welder Class B	As and when	4			
	Boilermaker	As and when	2			
	Pipe Fitter	As and when	4			
	Assistant	As and when	4			
	Firewatch	As and when	4			
	Tools and Equipment	As and when				

The total of the Prices

**NOTE:** for the purpose of this contract returnables, **Tools and Equipment** we will use a duration for rental of **95days** which is our longest outage duration. It should be noted that on every outage you will be required to submit a quote based on the outage duration, this is so because we have 3 different outages within the organisation namely General Overhaul, Mini General Overhaul, and Intermediate Repairs.