



NEC3 Term Service Contract (TSC3)

Between **ESKOM HOLDINGS SOC Ltd**  
(Reg No. 2002/015527/30)

and [Insert at award stage]  
(Reg No. \_\_\_\_\_ )

For **STRIP, ASSESS AND REPAIR ALL ANALOG DRIVES  
FOR LETHABO POWER STATION FOR A 3-YEAR  
PERIOD ON "AS AND WHEN REQUIRED" BASIS.**

Contents:	No of pages
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CONTRACT No. [Insert at award stage]

**PART C1: AGREEMENTS & CONTRACT DATA**

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<b>Contents:</b>	<b>No of pages</b>
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<b>[to be inserted from Returnable Documents at award stage]</b>	
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## C1.1 Form of Offer &amp; Acceptance

**Offer**

The Employer, identified in the Acceptance signature block, has solicited offers to enter into a contract for the procurement of:

**STRIP, ASSESS AND REPAIR ALL ANALOG DRIVES FOR LETHABO POWER STATION FOR A 3-YEAR PERIOD ON “AS AND WHEN REQUIRED” BASIS.**

The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

Options A or C	The offered total of the Prices exclusive of VAT is	R [•]
	Value Added Tax @ 15% is	R [•]
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	R [•]
	(in words) [•]	

This Offer may be accepted by the Employer by signing the Acceptance part of this Form of Offer and Acceptance and returning one copy of this document including the Schedule of Deviations (if any) to the tenderer before the end of the period of validity stated in the Tender Data, or other period as agreed, whereupon the tenderer becomes the party named as the *Contractor* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s) \_\_\_\_\_

Capacity \_\_\_\_\_

**For the tenderer:** \_\_\_\_\_

Name & signature of witness \_\_\_\_\_  
(Insert name and address of organisation)

Date

Tenderer's CIDB registration number:

<sup>1</sup> This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

## Acceptance

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

The terms of the contract, are contained in:

Part C1	Agreements and Contract Data, (which includes this Form of Offer and Acceptance)
Part C2	Pricing Data
Part C3	Scope of Work: Service Information

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**

Eskom Holdings SOC Ltd,  
Lethabo Power Station  
Deneysville Vaaldam Road  
Vereenging  
1930

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**

Note:

1. This part of the Offer & Acceptance would not be required if the contract has been developed by negotiation between the Parties and is not the result of a process of competitive tendering.
2. The extent of deviations from the tender documents issued by the Employer prior to the tender closing date is limited to those permitted in terms of the Conditions of Tender.
3. A tenderer's covering letter must not be included in the final contract document. Should any matter in such letter, which constitutes a deviation as aforesaid be the subject of agreement reached during the process of Offer and Acceptance, the outcome of such agreement shall be recorded here and the final draft of the contract documents shall be revised to incorporate the effect of it.

No.	Subject	Details
1	[•]	[•]
2	[•]	[•]
3	[•]	[•]
4	[•]	[•]
5	[•]	[•]
6	[•]	[•]
7	[•]	[•]

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

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

**For the tenderer:****For the Employer**

Signature

Name

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*

**[Instructions to the contract compiler: (delete these two notes in the final draft of a contract)]**

1. Please read the relevant clauses in the conditions of contract before you enter data. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
2. Some TSC3 options are always selected by Eskom Holdings SOC Ltd. The remaining TSC3 options are identified by shading in the left hand column. In the event that the option is not required select and delete the whole row. Where the following symbol is used "[•]" - data is required to be inserted relevant to the specific option selected.]

Completion of this data in full, according to the Options chosen, is essential to create a complete contract.

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		<b>A: Priced contract with price list</b>
	dispute resolution Option	<b>W1: Dispute resolution procedure</b>
	and secondary Options	
		<b>X1: Price adjustment for inflation</b>
		<b>X2 Changes in the law</b>
		<b>X17: Low service damages</b>
		<b>X19: Task Order</b>
		<b>Z: Additional conditions of contract</b>
	of the NEC3 Term Service Contract April 2013 <sup>2</sup> (TSC3)	
10.1	The <i>Employer</i> is (name):	<b>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</b>
	Address	<b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>
	Tel No.	<b>[•]</b>
	Fax No.	<b>[•]</b>
10.1	The <i>Service Manager</i> is (name):	<b>Moses Boloho</b>

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 [www.ecs.co.za](http://www.ecs.co.za)

Address	Lethabo Power Station Deneysville Road Viljoensdrift	
Tel	016 – 457 5922	
e-mail	bolohomt@eskom.co.za	
11.2(2)	The Affected Property is	Lethabo Power Station
11.2(13)	The <i>service</i> is	Strip, assess and repair all Analog drives for Lethabo Power Station
11.2(14)	The following matters will be included in the Risk Register	[•]
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 <i>law of the contract</i> is the law of	the Republic of South Africa
13.1	The <i>language of this contract</i> is	English
13.3	The <i>period for reply</i> is	[•] weeks
2	<b>The Contractor's main responsibilities</b>	Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The <i>Contractor</i> submits a first plan for acceptance within	[•] weeks of the Contract Date
3	<b>Time</b>	
30.1	The <i>starting date</i> is.	[•]
30.1	The <i>service period</i> is	[•]
4	<b>Testing and defects</b>	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	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	between the [•] day of each successive month.
51.1	The <i>currency of this contract</i> is the	South African Rand
51.2	The period within which payments are made is	[•] weeks.
51.4	The <i>interest rate</i> 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 <i>Employer's</i> risks	1. [●] 2. [●] 3. [●]
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 <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than	[●] weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	To be advised when necessary
	Address	[●]
	Tel No.	[●]
	Fax No.	[●]
	e-mail	[●]
W1.2(3)	The <i>Adjudicator nominating body</i> is:	To be advised when necessary



W1.4(2)	The <i>tribunal</i> is:	arbitration		
W1.4(5)	The <i>arbitration procedure</i> is	the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.		
	The place where arbitration is to be held is	[•] South Africa		
	The person or organisation who will choose an arbitrator	the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.		
	- if the Parties cannot agree a choice or - if the arbitration procedure does not state who selects an arbitrator, is			
12	Data for secondary Option clauses			
X1	Price adjustment for inflation			
X1.1	The <i>base date</i> for indices is	[•].		
	The proportions used to calculate the Price Adjustment Factor are:	proportion	linked to index for	Index prepared by
		Labour	45%	[•]
		Transport	40%	[•]
		Fixed	15%	[•]
		[•]	non-adjustable	
		1.00		
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			
X17.1	The <i>service level table</i> is in	5 days of receiving the Task Order		
X19	Task Order			
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	5 days of receiving the Task Order		
Z	The <i>additional conditions of contract</i> are		Z1 to Z14 always apply.	

**Z1 Cession delegation and assignment**

Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.

Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

## **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 Confidentiality**

- Z4.1 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.
- Z4.2 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*.
- Z4.3 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.
- Z4.4 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*.

Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

**Z5 Waiver and estoppel: Add to core clause 12.3:**

Z5.1 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.

**Z6 Health, safety and the environment: Add to core clause 27.4**

Z6.1 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.

Z6.2 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.

**Z7 Provision of a Tax Invoice and interest. Add to core clause 51**

Z7.1 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.

Z7.2 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.

Z7.3 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.

**Z8 Notifying compensation events**

Z8.1 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.

**Z9      *Employer's limitation of liability***

- Z9.1      The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2      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.

**Z10      **Termination: Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":****

- Z10.1      or had a business rescue order granted against it.

**Z11      **Ethics****

For the purposes of this Z-clause, the following definitions apply:

- Affected Party**      means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
- Coercive Action**      means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
- Collusive Action**      means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
- Committing Party**      means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
- Corrupt Action**      means the offering, giving, taking, or soliciting, directly or indirectly, of a good or service to unlawfully or illegally influence the actions of an Affected Party,
- Fraudulent Action**      means any unlawfully or illegally intentional act or omission that misleads, or attempts to mislead, an Affected Party, in order to obtain a financial or other benefit or to avoid an obligation or incurring an obligation,
- Obstructive Action**      means a Committing Party unlawfully or illegally destroying, falsifying, altering or concealing information or making false statements to materially impede an investigation into allegations of Prohibited Action, and
- Prohibited Action**      means any one or more of a Coercive Action, Collusive Action Corrupt Action, Fraudulent Action or Obstructive Action.

- Z11.1      A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z11.2      The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.
- Z11.3      If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.
- Z11.4      A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited

Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

## Z12 Insurance

### Z 12 .1 Replace core clause 83 with the following:

#### Insurance cover

83

83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.

83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

#### **INSURANCE TABLE A**

<b>Insurance against</b>	<b>Minimum amount of cover or minimum limit of indemnity</b>
Loss of or damage caused by the <i>Contractor</i> to the <i>Employer's</i> property	The replacement cost where not covered by the <i>Employer's</i> insurance.  The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance.  The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
Loss of or damage to Equipment	The replacement cost where not covered by the <i>Employer's</i> insurance.  The <i>Employer's</i> policy deductible as at Contract Date, where covered by the <i>Employer's</i> insurance.
The <i>Contractor's</i> liability for loss of or damage to property (except the <i>Employer's</i> property, Plant and Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i> ) arising from or in connection with the <i>Contractor's</i> Providing the Service	<b><u>Loss of or damage to property</u></b> The replacement cost  <b><u>Bodily injury to or death of a person</u></b> The amount required by the applicable law.
Liability for death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law

**Z 12.2 Replace core clause 86 with the following:**

**Insurance  
by the  
Employer**

86

86.1 The *Employer* provides the insurances stated in the Insurance Table B

**INSURANCE TABLE B**

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document
Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

**Z13 Nuclear Liability**

- Z13.1 The *Employer* is the operator of the Koeberg Nuclear Power Station (KNPS), a nuclear installation, as designated by the National Nuclear Regulator of the Republic of South Africa, and is the holder of a nuclear licence in respect of the KNPS.
- Z13.2 The *Employer* is solely responsible for and indemnifies the *Contractor* or any other person against any and all liabilities which the *Contractor* or any person may incur arising out of or resulting from nuclear damage, as defined in Act 47 of 1999, save to the extent that any liabilities are incurred due to the unlawful intent of the *Contractor* or any other person or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.3 Subject to clause Z13.4 below, the *Employer* waives all rights of recourse, arising from the aforesaid, save to the extent that any claims arise or liability is incurred due or attributable to the unlawful intent of the *Contractor* or any other person, or the presence of the *Contractor* or that person or any property of the *Contractor* or such person at or in the KNPS or on the KNPS site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z13.4 The *Employer* does not waive its rights provided for in section 30 (7) of Act 47 of 1999, or any replacement section dealing with the same subject matter.
- Z13.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

**Z14 Asbestos**

For the purposes of this Z-clause, the following definitions apply:

**AAIA** means approved asbestos inspection authority.

**ACM** means asbestos containing materials.

<b>AL</b>	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
<b>Ambient Air</b>	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
<b>Compliance Monitoring</b>	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>OEL</b>	means occupational exposure limit.
<b>Parallel Measurements</b>	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
<b>Safe Levels</b>	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>Standard</b>	means the <i>Employer's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
<b>SANAS</b>	means the South African National Accreditation System.
<b>TWA</b>	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.
Z14.1	The <i>Employer</i> ensures that the Ambient Air in the area where the <i>Contractor</i> will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
Z14.2	Upon written request by the <i>Contractor</i> , the <i>Employer</i> certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The <i>Contractor</i> may perform Parallel Measurements and related control measures at the <i>Contractor's</i> expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
Z14.3	The <i>Employer</i> manages asbestos and ACM according to the Standard.
Z14.4	In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
Z14.5	The <i>Contractor's</i> personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
Z14.6	The <i>Contractor</i> continues to Provide the Services, without additional control measures presented,

on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.

- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.



## C1.2 Contract Data

### Part two - Data provided by the *Contractor*

**[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)**

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

#### Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)<sup>3</sup> in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data.
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

Completion of the data in full, according to Options chosen, is essential to create a complete contract.

Clause	Statement	Data
10.1	The <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	% %
11.2(14)	The following matters will be included in the Risk Register	<b>Delay in services to be rendered Unavailability of personnel to perform work. Substandard work</b>
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	
21.1	The plan identified in the Contract Data is contained in:	
24.1	The key people are:	
	1 Name:	<b>All Key Project team members</b>
	Job:	<b>Technician</b>
	Responsibilities:	
	Qualifications:	<b>As per Technical Criteria</b>
	Experience:	<b>As per Technical Criteria</b>
	2 Name:	<b>As per Technical Criteria</b>

<sup>3</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or [www.ecs.co.za](http://www.ecs.co.za)

Job

Technician

Responsibilities:

Qualifications:

As per works information

Experience:

As per Technical Criteria

As per Technical Criteria

A	Priced contract with price list	CV's (and further key person's data including CVs) are in.
11.2(12)	The <i>price list</i> is in	
11.2(19)	The tendered total of the Prices is	Pricing data C2.2-page 22
		As per price list C 2.2

Part 2: Pricing Data  
TSC3 Option A

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

## 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:

<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.

#### 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

Quantity	Analog Drives	Price per Analog	Number of Analog repairs per year	Budget Per year	Budget for 3yrs
455	Analog		1 year estimate		
455	Analog		2 year estimate		
455	Analog		3 year estimate		
				<b>TOTAL COST</b>	
<b>TRANSPORTATION</b>					
Travelling Costs	Price per KM's	Estimated KM's	Trips per year	Budget Per year	Budget for 3yrs
		5500	1 <sup>st</sup> Year estimate		
		5500	2 <sup>nd</sup> Year estimate		
		5500	3 <sup>rd</sup> Year estimate		
				<b>TOTAL COST</b>	

Descriptions	Unit	Qty	Rate	Total Costs /unit
Strip, assess, quote and repairs of Analog drives				
Siemens Contactors	Ea	2		
Siemens PC board	Ea	1		
Auxillary contacts	Ea	1		
Electronics components	Sum	1		
Protection switch 0.1 A	Ea	1		
Travelling	Km	1		
Labour	Hr			

### Part 3: Scope of Work

<b>Document reference</b>	<b>Title</b>	<b>No of pages</b>
C3.1	This cover page <i>Employer's Service Information</i>	1
C3.2	<i>Contractor's Service Information</i>	
	Total number of pages	

### C3.1: Employer's service Information

#### Contents

When the document is complete, insert a 'Table of Contents'. To do this go to: Insert, → Reference, → Index and tables → Table of Contents. Three levels and the title (but not the subtitle) may be shown if the formats used in this template are retained.

Otherwise insert list of contents manually.

### Part 3: Scope of Work 2

#### C3.1: Employer's service Information iii

- 1 Description of the service** Error! Bookmark not defined.
  - 1.1 Executive overview **Error! Bookmark not defined.**
  - 1.2 *Employer's* requirements for the *service* **Error! Bookmark not defined.**
  - 1.3 Interpretation and terminology **Error! Bookmark not defined.**
- 2 Management strategy and start up.** Error! Bookmark not defined.
  - 2.1 The *Contractor's* plan for the *service* **Error! Bookmark not defined.**
  - 2.2 Management meetings **Error! Bookmark not defined.**
  - 2.3 *Contractor's* management, supervision and key people vii
  - 2.4 Provision of bonds and guarantees vii
  - 2.5 Documentation control **Error! Bookmark not defined.**
  - 2.6 Invoicing and payment **Error! Bookmark not defined.**
  - 2.7 Contract change management **Error! Bookmark not defined.**
  - 2.8 Records of Defined Cost to be kept by the *Contractor* **Error! Bookmark not defined.**
  - 2.9 Insurance provided by the *Employer* **Error! Bookmark not defined.**
  - 2.10 Training workshops and technology transfer **Error! Bookmark not defined.**
  - 2.11 Design and supply of Equipment **Error! Bookmark not defined.**
  - 2.12 Things provided at the end of the *service period* for the *Employer's* use **Error! Bookmark not defined.**
    - 2.12.1 Equipment **Error! Bookmark not defined.**
    - 2.12.2 Information and other things **Error! Bookmark not defined.**
  - 2.13 Management of work done by Task Order **Error! Bookmark not defined.**
- 3 Health and safety, the environment and quality assurance** Error! Bookmark not defined.
  - 3.1 Health and safety risk management **Error! Bookmark not defined.**
  - 3.2 Environmental constraints and management **Error! Bookmark not defined.**
  - 3.3 Quality assurance requirements **Error! Bookmark not defined.**
- 4 Procurement** Error! Bookmark not defined.
  - 4.1 People **Error! Bookmark not defined.**
    - 4.1.1 Minimum requirements of people employed **Error! Bookmark not defined.**
    - 4.1.2 BBEE and preferencing scheme **Error! Bookmark not defined.**
    - 4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA) **Error! Bookmark not defined.**
  - 4.2 Subcontracting **Error! Bookmark not defined.**
    - 4.2.1 Preferred subcontractors **Error! Bookmark not defined.**
    - 4.2.2 Subcontract documentation, and assessment of subcontract tenders **Error! Bookmark not defined.**
    - 4.2.3 Limitations on subcontracting **Error! Bookmark not defined.**
    - 4.2.4 Attendance on subcontractors **Error! Bookmark not defined.**
  - 4.3 Plant and Materials **Error! Bookmark not defined.**
    - 4.3.1 Specifications **Error! Bookmark not defined.**
    - 4.3.2 Correction of defects **Error! Bookmark not defined.**
    - 4.3.3 *Contractor's* procurement of Plant and Materials **Error! Bookmark not defined.**
    - 4.3.4 Tests and inspections before delivery **Error! Bookmark not defined.**
    - 4.3.5 Plant & Materials provided "free issue" by the *Employer* **Error! Bookmark not defined.**
    - 4.3.6 Cataloguing requirements **Error! Bookmark not defined.**
- 5 Working on the Affected Property** Error! Bookmark not defined.
  - 5.1 *Employer's* site entry and security control, permits, and site regulations **Error! Bookmark not defined.**



- 5.2 People restrictions, hours of work, conduct and records **Error! Bookmark not defined.**
- 5.3 Health and safety facilities on the Affected Property **Error! Bookmark not defined.**
- 5.4 Environmental controls, fauna & flora **Error! Bookmark not defined.**
- 5.5 Cooperating with and obtaining acceptance of Others **Error! Bookmark not defined.**
- 5.6 Records of *Contractor's* Equipment **Error! Bookmark not defined.**
- 5.7 Equipment provided by the *Employer* **Error! Bookmark not defined.**
- 5.8 Site services and facilities **Error! Bookmark not defined.**
  - 5.8.1 Provided by the *Employer* **Error! Bookmark not defined.**
  - 5.8.2 Provided by the *Contractor* **Error! Bookmark not defined.**
- 5.9 Control of noise, dust, water and waste **Error! Bookmark not defined.**
- 5.10 Hook ups to existing works **Error! Bookmark not defined.**
- 5.11 Tests and inspections **Error! Bookmark not defined.**
  - 5.11.1 Description of tests and inspections **Error! Bookmark not defined.**
  - 5.11.2 Materials facilities and samples for tests and inspections **Error! Bookmark not defined.**
- 6 List of drawings** **Error! Bookmark not defined.**
  - 6.1 Drawings issued by the *Employer* **Error! Bookmark not defined.**

## 1 Description of the Services

Strip, assess and repair all Analog drives for Lethabo Power Station for a 3-year period as a when required.

### The Scope

- This specification details the requirements for the strip, quote and repairs of all Analog Drives. The Analog drives to be repaired to meet the specified design and performance requirements of the OEM. Reversed engineering on spares will be allowed as long as it meets the OEM requirements/standard/specification.
- The repair company will collect analog drives from site (Lethabo Power Station) and book them into their workshop with all the relevant paper work.
- The travelling costs per trip not per quantity.
- Supply technically competent personnel for QC.
- Replacement of components which are obsolesce repair shall be in accordance with the requirements of the OEM unless otherwise approved by Eskom representative.
- A quotation to be sent to the Employer's Representative for approval before parts can be replaced.

### Repairs

- A minimum of Ten (10) to be maintained at the stores for emergency
- 2 day lead time repairs under normal condition
- 6 hours lead time repairs on emergency
- Contractor not to change specifications unless its approved by the Employer's representative
- Quantities are not guaranteed
- The Contractor shall submit an assessment.
- Employer's representative to approve assessment prior commencing with repairs
- The Contractor shall be available for any emergency/ breakdown work.
- Faults and Test Reports to be submitted to the Employer's Representative

## TECHNICAL EVALUATION

### 1. Technical evaluation - Gatekeeper (Minimum Threshold Of 80%)

REQUIREMENT	SCORE (%)	REMARKS
Company Exist. & Exp. 3 years		<u>Minimum requirements the supplier to attached proof of the following:</u>

	30%	<div>Proof of previous work done on drives with minimum of 3 years &amp; 3 references</div> <table><tr><th>All submission</th><th>Score</th></tr><tr><td>Either one submitted</td><td>5%</td></tr><tr><td>Only two submitted</td><td>15%</td></tr><tr><td>All three submitted</td><td>30%</td></tr></table>	All submission	Score	Either one submitted	5%	Only two submitted	15%	All three submitted	30%
All submission	Score									
Either one submitted	5%									
Only two submitted	15%									
All three submitted	30%									
	15	<div>Accreditation by the DOL (Legal DOL registration as an Automation company /Electrical Contractor)</div> <table><tr><td>No Accreditation</td><td>0%</td></tr><tr><td>Accreditation</td><td>15%</td></tr></table>	No Accreditation	0%	Accreditation	15%				
No Accreditation	0%									
Accreditation	15%									
	10	<div>Contractor to be Accredited with a level 4 EP/EB CIDB.</div> <table><tr><td>Level below</td><td>0</td></tr><tr><td>Level 4 and above</td><td>10</td></tr></table>	Level below	0	Level 4 and above	10				
Level below	0									
Level 4 and above	10									
Key Project Team		<div>Require Contractor to attach proof of qualification for the following</div>								
	30	<div>2 x Qualified person with Instrumentation or Electrical Trade test (minimum of 3yrs repair of drives or programming)</div> <table><tr><td>Less than 3 yrs. experience</td><td>10%</td></tr><tr><td>1 x qualified with less than 3 yrs.</td><td>15%</td></tr><tr><td>2 x qualified with 3 years exp.</td><td>30%</td></tr></table>	Less than 3 yrs. experience	10%	1 x qualified with less than 3 yrs.	15%	2 x qualified with 3 years exp.	30%		
Less than 3 yrs. experience	10%									
1 x qualified with less than 3 yrs.	15%									
2 x qualified with 3 years exp.	30%									
	15	<div>Site Visit compulsory</div> <div><ul style="list-style-type: none"><li>To check workshop facilities such as test bench etc.</li></ul></div> <table><tr><td>No Workshop</td><td>7.5%</td></tr><tr><td>Workshop &amp; Test bench</td><td>15%</td></tr></table>	No Workshop	7.5%	Workshop & Test bench	15%				
No Workshop	7.5%									
Workshop & Test bench	15%									

Threshold	80%	
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#### 1. Work to be performed by the *Contractor*

11.1 The *works* are

11.2 The following matters will be included in the Risk Register

11.3 The *boundaries of the site* are **Lethabo Power station**

### 3 *Contractor's* management, supervision and key people

The Contractor will be compelled to deploy the project team as per the tender documents and any deviation shall be addressed in accordance to the contract provisions. The conditions of acceptance by the service manager of replacement persons, their qualifications and experience should be equivalent to the key people on the contract data (e.g. Matriculant with no work experience will not be accepted to replace an artisan with 4 years' experience).

Events will be registered (e.g. Early warnings, notification of defects and NCR's etc.) and issued as per the conditions of contract should the Contractor not adhere to agreed milestones.

For failure to complete the works as per agreed program and delays by the contractor and contract sectional completion date and delay damages of 2% up to a maximum of 15% per task order (contract value) for each complete day of delay. The delay damages would be imposed from the first day the contractor failed to meet the key date (completion date of the section of the works).

For unforeseen plant conditions which could allow work not to continue before they are resolved. Sectional completion would be applicable in this contract due to the high risk involved. The contractor may be asked to complete one area, and in case of any stoppage.

The technical risks assessment will be done by the Contractor in conjunction with the relevant stakeholders of the Employer.

#### 4. Provision of bonds and guarantees

The *Employer* may withhold payment of amounts due to the *Contractor* until the bond or guarantee required in terms of this contract has been received and accepted by the person notified to the *Contractor* by the *Service Manager* to receive and accept such bond or guarantee. Such withholding of payment due to the *Contractor* does not affect the *Employer's* right to termination stated in this contract.

Only technical staff authorized by the supplier will be allowed to assess and/or work on any defective parts. If a failure occurs the supplier must be informed immediately.

#### C4: Site Information

##### 1.1 HEALTH AND SAFETY REQUIREMENTS

1.1.1 The Contractor acts in accordance with the health and safety requirements stated in the Works Information.

- 1.1.2 In carrying out its obligations to the Employer in terms of this contract; in providing the Works; in using Plant, Materials and Equipment; and while at the Site for any reason, the Contractor complies and procures and ensures the compliance by its employees, agents, Subcontractors and mandatories 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 Eskom “Health, Safety and Environmental specifications for Contractors” document attached to the Works Information (as amended from time to time) and such other Eskom Safety Regulations as are applicable to the Works and are provided in writing to the Contractor (collectively “the Eskom Regulations”). The Eskom Regulations may be amended from time to time by the Employer and all amendments will be provided in writing to the Contractor. The Contractor complies with the provisions of the latest written version of the Eskom Regulations with which it has been provided; and
  - the health and safety plan prepared by the Contractor in accordance with the SHEQ Requirements

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

- 1.1.3 The Contractor, at all times, considers 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 is at all times responsible for the supervision of its employees, agents, Subcontractors and mandatories and takes full responsibility and accountability for ensuring they are competent, aware of the SHEQ Requirements and execute the Works in accordance with the SHEQ Requirements.
- 1.1.4 The Contractor acknowledges that it is fully aware of the requirements of all the above and undertakes to employ only people who have been duly authorized in terms thereof and who have received sufficient training to ensure that they can comply therewith.
- 1.1.5 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.
- 1.1.6 The Contractor shall appoint a person who will liaise with the Eskom Safety Officer responsible for the premises relevant to this contract. The person so appointed shall, on request:
- 1.1.7 The Employer, or any person appointed by the Employer, may, at any stage during the duration 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.
- 1.1.8 The Contractor immediately reports any disabling injury as well as any threat to health or safety of which it becomes aware at the Works or on the Site to the Employer’s Representative.

- 1.1.9 The Contractor undertakes not to do, or not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.
- 1.1.10 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 reachable 24 hours a day.
- 1.1.11 The Contractor confirms that it has been provided with sufficient written information regarding the health and safety arrangements and procedures applicable to the Works to ensure compliance by it and all employees, agents, Subcontractors or mandatories with the SHEQ Requirements while providing the Works 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.
- 1.1.12 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 Sub-Contractors, to the extent permitted by the OHSA.
- 1.1.13 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 mandatories to comply with their obligations in terms of clause 16, and/or the failure of the Employer to procure the compliance by the Contractor, its employees, agents, Subcontractors and/or mandatories with their responsibilities and/or obligations in terms of or arising from the OHSA.
- 1.1.14 In carrying out his obligation as the mandatory to the Employer for this contract in terms of the National Environmental Management Act No.107 of 1998, the Contractor ensures that he complies with the Act when Providing the Services or using plant, materials or equipment.

## 1.2 Permit to Work System

- NO work shall be carried out without a "PERMIT TO WORK"
- The Contractor's Responsible Person must satisfy himself that all sources of possible danger are isolated. Details of the Permit to Work system can be found in the Plant Safety Regulations for Lethabo Power Station, Eskom OPR 3305.
- A Master Permit to Work is used on declared major outages, details can be found in local procedure LBA 00085. Permit changes are made during the dead time, if it is required by the Contractor that a certain supply be made available or plant tested than this can be applied for at the Outage Management Meeting at least 1 day in advance.
- Plant with a prohibitive sign attached may only be operated by appointed Eskom personnel. Any Contractor employee found tampering with such plant will be permanently removed from Site.

## 1.3 Safety Induction Course

- All the employees of the Contractor must attend a safety induction course before they will be allowed to work on the Site. It is the responsibility of the Contractor to ensure that all employees have attended the safety induction.
- A list of employees requiring safety induction must be submitted at least 2 days in advance of arrival on site with the date and time of arrival so that the safety induction can be arranged.

### 1.3.1 IBI Awareness Techniques

- "To prevent incidents and ensure continuous improvement of Lethabo Power Stations business performance in all areas affecting safety, reliability and production, it is expected of all CONTRACTORS service personnel, to attend a three(3) hour training session on Integrated Business Improvement Awareness, which has to be done as soon as work has commenced; This is to ensure familiarisation and use of error-prevention tools/techniques inclusive of, Pre and Post-job briefs, Risk Assessments, Self-checks(STAR principle), Job observations, Effective communications e.g.3- way, Questioning attitude, Procedural adherence, Hand overs and other related topics.
- A monthly IBI scorecard to be completed indicating the use of error prevention tools/ techniques; The assigned employee fulfilling the role of IBI representative has to attend the IBI representative's forum fortnightly, on Tuesdays, duration one hour.
- An IBI representative appointed by the Contractor/Supplier/Consultant to attend the IBI Representative Forum One (1) hour every Tuesday (fortnightly).
- IBI Awareness training will be provided by Lethabo Power Station personnel, free of charge, course bookings can be arranged by contacting Rabie Heymans on extension 5094".

### 1.3.2 Transportation of passengers: open LDV's:

No Eskom employee or Contractor would be allowed to transport passengers on the back of open light delivery vehicles (LDV's).

It is a legal requirement to provide safe transportation of Eskom and Contractor employees – therefore the following will be enforced:

- All passengers must be transported in a closed vehicle with proper and adequate seating, fitted with safety belt for the number of passengers to be transported. NO passengers may be transported on the back of a light delivery vehicle (LDV) whether open or closed.
- Tools and equipment must be properly secured.
- Only authorised drivers may transport passengers.
- Proof must be submitted on request in terms of valid roadworthiness of the vehicle/s.
- The above must apply to on site and off site transportation of passengers.

### 1.3.3 Eskom Lifesaving Rules:

Five Cardinal Rules have been developed that will apply to all Eskom employees, agents, consultants and contractors.

- Rule 1: Open, Isolate, Test, Earth, Bond, And/or Insulate before touch - that is any Plant operating above 1 000 V.
  - Rule 2: Hook up at heights - no person may work at height where there is a risk of falling.
  - Rule 3: Buckle up – no person may drive any vehicle on Eskom business and/or on Eskom premises: unless the driver and all passengers are wearing seat belts.
  - Rule 4: Be sober (no person is allowed to work under the influence of drugs and alcohol.
  - Rule 5: Use a permit to work – where an authorization limitations exists, no person shall work without the required permit to work.
- The Contractor adheres to all local procedures. A list of local procedures are available on request from the Employer

#### 1.4 Incidents / Accidents

- Incidents and accidents must be reported and investigated as detailed in LBA 00030. All incidents must also be reported to the Employer within 24 hours.
- First aid must be made available either by the Contractor or use can be made of the Lethabo medical centre at a fee. The availability of the Contractor's own first aid does not relieve the Contractor of his obligation to report and investigate the incident in accordance with Lethabo Procedure.

#### 1.5 Fire Prevention

- Fire prevention and protection requirements to which Contractors must comply are detailed in LBA 00030.

#### 1.6 Protective Equipment and Clothing

- The Contractor supplies his own personal protective equipment necessary to carry out the works and the Contractor shall ensure that all overalls for his staff have clearly identifying company LOGO's.
- The Contractor is also responsible to inspect and maintain such equipment as required in terms of the OHS Act and local procedures.

#### 1.7 Inspection of Equipment

- The Contractor's equipment is inspected by an authorised Eskom employee on arrival at the site.
- The following documentation is required to accompany the equipment where applicable: copies of all test certificates and maintenance records.
- Lifting equipment and electrical equipment must be marked with a unique number, code or colour code for identification. If the equipment is found to be in an unsatisfactory condition or if insufficient maintenance has been carried out on the equipment then it will not be approved for use on Site. A list of all lifting equipment and electrical equipment must be submitted to the Employer at least 2 days prior to the occupation date. This list must indicate the unique number and description of the equipment.
- Training of operators must comply with the Works Information and statutory requirements.

#### 1.8 Documentation

The Contractor is responsible to have the following documentation available on site in accordance with LBA 00030:

- A copy of the OHS Act.
- Copies of all site accident report forms as required by the OHS Act.
- Copies of minutes of health and safety meetings held on site.
- Copies of inspection reports produced by the accident prevention officer.

#### 1.9 Environmental Policy and Waste Handling

Lethabo Environmental Policy LBPS010 must be adhered to.

##### 1.9.1 Disposal of Waste

Waste shall be removed promptly to the designated disposal area. No stockpiling will be permitted.



- Domestic waste to the white waste bins
- Production waste in the marked bins i.e. coal and ash only
- Paper and cans to their respective recycling bins
- Contact Civil Engineering for the disposal of building rubble
- Scrap metal, Wood & Rubber, Redundant Valves, Pipes, and Equipment etc. to be placed in the marked bins in the new Salvage Yard. Solvents and cloths used to the Cleaning Bay.

#### Services and other things provided by the Employer

##### Electrical Equipment / Appliances, Lighting and Power

- Any electrical equipment or appliances used by the Contractor must comply with all relevant safety regulations and requirements as detailed in LBA 00030, and be maintained in safe and proper working condition.
- The Employer has the right to stop the Contractor's use of any electrical equipment or appliance, which in the Employer's opinion does not conform to the foregoing.
- The Contractor provides at his own expense any temporary local lighting, and ensures that it is in accordance with the requirements of the Factories Inspector.
- The Contractor provides at his own expense, all temporary wiring and cabling to route power from the point of supply to the various points where it is required, maintain same and remove on completion.

#### 19. Water

- The Contractor provides at his own cost, all connection fittings, pipe-work, temporary plumbing, and pumps necessary to lead the water from the point of supply to the various points where it is required, maintain same and remove on completion.
- Such fittings must be compatible with the Employer's fittings so that galvanic corrosion of pipe-work is prevented.
- Water wastage due to un-maintained pipe work or fittings provided by the Contractor will be calculated and will be for the cost of the Contractor.

#### 20. Compressed Air

- The Contractor provides at his own cost, all connection fittings and pipe-work necessary to lead the compressed air from the point of supply to the various points where it is required, maintain same and remove on completion.  
Such fittings must be compatible with the Employer's fittings so that galvanic corrosion of pipe-work is prevented.
- Compressed air wastage due to un-maintained pipe work or fittings provided by the Contractor will be calculated and will be for the cost of the Contractor.

#### 21. Ventilation

- The Contractor is responsible for adequate ventilation of the works.

#### 22. Roads and Vehicles

- All vehicles used on site, by the Contractor will be road worthy and fitted with fire extinguishers as required.

- All road signs and traffic laws / regulations on site will be adhered to. Employees of the Contractor failing to comply will be removed from site and denied any further access.

#### 23. Security

- The Contractor is responsible for all security on site, viz. fencing off, night watch and access control in order to secure all plant, materials and the works itself. All these measures must be in accordance with any relevant regulations and standards and subject to the Employer's approval.
- It is also the Contractors responsibility to ensure the security of all completed portions of the works prior to Completion.

#### 24. Accommodation of Employees

- The Contractor is responsible for the provision of accommodation or meals of his own personnel, and the cost thereof to be included in his Price.
- The Contractor is responsible for the provision of transportation for all Personnel to site, from site and on Site. The cost thereof to be indicated in the Price List.

#### 25. Offices, Workshops and Stores

- The Contractor shall provide, erect and maintain for his own use, any additional office accommodation and stores he requires, together with drainage, lighting, heating, and hot and cold-water services as required.
- The Contractor's site establishment price includes all treatment of the site that he considers necessary for his entire operation throughout his period of occupation and under all weather conditions.
- The Contractor also includes for all security and access arrangements that he considers necessary.

#### 26. Sanitary Facilities

- The Contractor shall provide service, maintain and remove on completion any additional facilities required and allow for it in his Price.
- The Contractor's employees who work with asbestos are not allowed to use the Employer's ablution or messing facilities at the workplace during and after stripping of lagging materials, for fibres that may be attached to workers clothing, or to any other article.

#### 27. Contract change management

- In an event of compensation event, the Contractor shall completed event register and submitted it to the Employer.
- The Contractor shall request this form from the Employer.

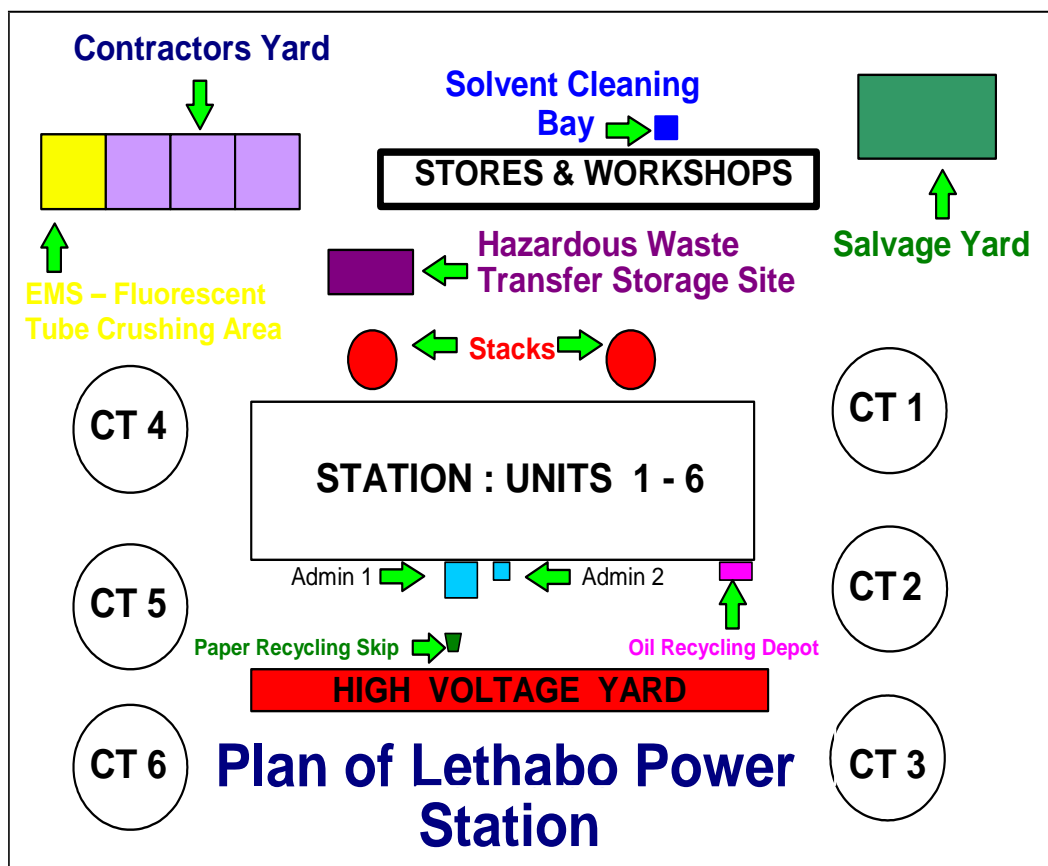
#### 28. Training workshops and technology transfer

- The Contractor shall provide training for both Maintenance and Protective Services personnel at dates as agreed upon by the Contractor and the Employer.

#### STANDARDS APPLICABLE TO CONTRACT

Document No.	Rev.	Title	Applicable Yes/No
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LBA 00030	2	Safety with which contractors are to conform at Lethabo Power Station	Y
LBA 00040	0	Lethabo Environmental Procedure	Y
LBA 00049	0	Procedure for Commissioning of New/Modified Plant	N
LBA 00054	1	Hazardous waste storage and removal procedure	Y
LBA 00067	0	Health, Safety and Environmental Specification for Contractors	Y
LBA 00085	1	Master Permit to Work for declared major outages	Y
LBA 00108	0	Contractor's site administration	N
LBT 00015	0	New or Modifications to Electrical Plant Requirements	N
LBT 00017	0	Limited Access Register Procedure	Y
GGR0992		Plant Safety Regulations for Lethabo Power Station	Y
LBA0060		Change Management Procedure	N
ESKASAAU7	0	Quality Requirements for the Procurement of Assets, Goods and Services	Y
LBA00135	0	Control & Prevention of asbestos exposure at Lethabo	N
PS053	1	Intellectual Property	N
LBA00172		The use and control of solvents and degreasers	Y



Hazardous Waste Disposal and Handling

- Hazardous / toxic waste includes all waste which contains elements or compounds listed as hazardous substances in terms of the Hazardous Substances Act No. 15 of 1973.
- Any Contractor who produces hazardous waste on site will be responsible for the safe removal of such waste to a registered Class I site by a waste removal and disposal body.
- The Contractor is required to produce a certificate of safe disposal in accordance with LBA 00054.
- The Contractor must ensure that persons handling hazardous waste have undergone suitable training and are acquainted with cleaning methods in case of a spillage.
- The Contractor is also responsible for the safe removal of their hazardous waste to Lethabo's Hazardous Waste Store. Other requirements for hazardous waste are detailed in LBA 00030.
- In order to ensure effective hazardous waste management, a copy of the Contractors' hazardous waste inventory must be supplied to the Employer at least 2 days prior to the occupation date.

#### 1.9.2 Abbreviated list of Hazardous Materials

Acids and alkalis	Hydrocarbons	Pesticides & insecticides
Antimony and its compounds	Inorganic cyanides	Pharmaceuticals
Arsenic compounds	Inorganic compounds containing halogens	Phosphorus and its compounds
Asbestos	Inorganic compounds containing sulphur	Selenium and its compounds
Barium compounds	Laboratory chemicals	Silver compounds
Beryllium compounds	Lead compounds	Tarry & petroleum products
Biocides & phytopharmaceutics	Medical wastes	Tellurium and its compounds
Boron compounds	Mercury compounds	Thallium and its compounds
Cadmium and its compounds	Nickel and its compounds	Vanadium compounds
Chromium compounds	Organic halogen compounds	Zinc compounds
Copper compounds	Paints and paint sludges	Waste with flash point < 60°C
Heterocyclic organic compounds	Peroxides, chlorates	

#### 1.10 Plant & Materials

- The Employer may at his own discretion, supply any Plant and Materials as may be required by the Contractor to Provide the Works.
- The Contractor is to notify the Employer in writing, 48 hrs in advance, of such Plant and Materials required.

#### 1.11 Access to and Departure from the Site

- The Site is at Lethabo Power Station situated  $\pm$  18 km South of Vereeniging on the Viljoensdrift - Deneysville Road, Free State. Access to the site will be via the main security gate only. The Employer informs the Contractor of the access procedures, and it should be expected that such procedures may change depending on the prevailing security situation.
- The Contractor allows in his price and program for delays at the security gate.
- The Employer reserves the right for its Security personnel to search persons or vehicles entering or leaving the premises. This includes but is not limited to briefcases and toolboxes.

#### 1.12 Temporary Gate Permits

- The Contractor provides the Employer with the personal details of their staff at least two days prior to the occupation date. All names and details to be submitted to the Employer who arranges for all gate permits.

#### 1.13 Equipment or Material Access and Removal

##### 1.13.1 Access

- The Contractor ensures that all equipment and materials brought through the security gate is signed in at the main security gate on an OV18 form.

##### 1.13.2 Removal

- The Contractor is not allowed to remove any equipment or materials from site without producing the relevant OV18 forms or the equipment lists.
  - If the equipment or material is to be removed the same day, on which they were brought on to site, then the OV18 form will need to be produced at the gate when leaving the site.
  - If the equipment or material is removed after this time then a Non Returnable Gate Release will be provided by the Employer's Representative, on receipt of the original OV18, with which the Contractor brought the equipment on site.

#### 1.14 Site or Area Establishment and Evacuation

##### 1.14.1 Application for Site Establishment:

- The Contractor is entitled to apply for a site on the relevant form as detailed in LBA 00030. This application must be submitted with the tender documents.
- Sites are allocated according to availability, the period for which the Contractor is going to be on site, or if special circumstances warrant the allocation of a site. Documentation to support this application can be submitted
- The location of the site or area is indicated during the site or area take-over inspection.

##### 1.14.2 Site Establishment:

- The Contractor does not occupy any site or area other than that allocated to him.
- The Contractor does not occupy the site or area prior to the take-over inspection.
- The Contractor maintains the site or area provided to him to the satisfaction of the Employer.
- The Employer subjects the Contractor's site or area to periodic inspection.

1.14.3 Site Evacuation:

- The Contractor advises the Employer in writing, five (5) days in advance of evacuation in accordance with LBA 00030. Immediately prior to evacuation the necessary take-over inspection must take place.