



NEC3 Term Service Contract (TSC3)

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

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

for **Provision of maintenance of Generator transformer
and unit transformer online gas analyser at Medupi
Power Station for a period of 36 months (3YRS)**

Contents:	No of pages
Part C1 Agreements & Contract Data	[•]
Part C2 Pricing Data	[•]
Part C3 Scope of Work	[•]

CONTRACT No. [Insert at award stage]

PART C1: AGREEMENTS & CONTRACT DATA

Contents:	No of pages
C1.1 Form of Offer and Acceptance	[•]
[to be inserted from Returnable Documents at award stage]	
C1.2a Contract Data provided by the <i>Employer</i>	[•]
C1.2b Contract Data provided by the <i>Contractor</i>	[•]
[to be inserted from Returnable Documents at award stage]	
C1.3 Proforma Guarantees	[•]

C1.1 Form of Offer & Acceptance

Offer

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

Provision of maintenance of Generator transformer and unit transformer online gas analyser at Medupi Power Station for a period of 36 months (3YRS)

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

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

Options A	The offered total of the Prices exclusive of VAT is	R [●]
	Sub total	R [●]
	Value Added Tax @ 15% is	R [●]
	The offered total of the amount due inclusive of VAT is ¹	R [●]
	(in words) [●]	

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

Signature(s)

Name(s)

Capacity

**For the
tenderer:**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Tenderer's CIDB registration number:

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

Acceptance

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

The terms of the contract, are contained in:

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

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**

(Insert name and address of organisation)

Name &
signature of
witness

Date

Note: If a tenderer wishes to submit alternative tenders, use another copy of this Form of Offer and Acceptance.

Schedule of Deviations to be completed by the *Employer* prior to contract award

Note:

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

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

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

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

For the tenderer:**For the Employer**

Signature

Name

Capacity

On behalf
of*(Insert name and address of organisation)**(Insert name and address of organisation)*Name &
signature
of witness

Date

C1.2 TSC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
		A: Priced contract with price list
	dispute resolution Option	W1: Dispute resolution procedure
	and secondary Options	
		X1: Price adjustment for inflation
		X2: Changes in the law
		X17: Low service damages
		X18: Limitation of liability
		X19: Task Order
		Z: Additional conditions of contract
	of the NEC3 Term Service Contract April 2013 ² (TSC3)	
10.1	The <i>Employer</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	[•]
	Fax No.	[•]
10.1	The <i>Service Manager</i> is (name):	Portia Lutumbu
	Address	Medupi Power Station, Steenbokpan Road
	Tel	
	Fax	N/A
	e-mail	MedupiGxTenders@eskom.co.za
11.2(2)	The Affected Property is	Medupi Power Station
11.2(13)	The <i>service</i> is	Provision of maintenance of Generator

² Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902 www.ecs.co.za

		transformer and unit transformer online gas analyser at Medupi Power Station for a period of 36 months (3YRS)
11.2(14)	The following matters will be included in the Risk Register	All risks will be identified prior and addressed and registered during the risk register meeting that will take place as agreed between the parties
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	Two (2) weeks
2	The Contractor's main responsibilities	Data required by this section of the core clauses is also provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data
21.1	The Contractor submits a first plan for acceptance within	1 week/s of the Contract Date
3	Time	
30.1	The <i>starting date</i> is.	TBC
30.1	The <i>service period</i> is	36 Months (3 Years)
4	Testing and defects	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data
5	Payment	
50.1	The <i>assessment interval</i> is	between the 21 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	4 weeks.
51.4	The <i>interest rate</i> is	<p>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</p> <p>(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</p>

		Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter (and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.
6	Compensation events	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	4 weeks.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i>	the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	[●]
	Tel No.	[●]
	Fax No.	[●]
	e-mail	[●]
W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the

South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see www.ice-sa.org.za) or its successor body.

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	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	of the Association of Arbitrators (Southern Africa) or its successor body.

12 Data for secondary Option clauses

X1	Price adjustment for inflation	Suggested CPA																		
X1.1	The <i>base date</i> for indices is	Rates are fixed and firm for first 12 months after first order placement date. There after CPA escalation will apply. Base date will be the month before the month which the enquiry closes.																		
	The proportions used to calculate the Price Adjustment Factor are:	<table> <tr> <th>proportion</th><th>linked to index for</th><th>Index prepared by</th></tr> <tr> <td>0,40</td><td>[Labour]</td><td>[SEIFSA TABLE C3 AHPE]</td></tr> <tr> <td>0,25</td><td>[Material]</td><td>[SEIFSA TABLE G 1]</td></tr> <tr> <td>0.20</td><td>[Transport]</td><td>SEIFSA Table L2 a</td></tr> <tr> <td>[0,15]</td><td>non-adjustable</td><td></td></tr> <tr> <td>1.00</td><td></td><td></td></tr> </table>	proportion	linked to index for	Index prepared by	0,40	[Labour]	[SEIFSA TABLE C3 AHPE]	0,25	[Material]	[SEIFSA TABLE G 1]	0.20	[Transport]	SEIFSA Table L2 a	[0,15]	non-adjustable		1.00		
proportion	linked to index for	Index prepared by																		
0,40	[Labour]	[SEIFSA TABLE C3 AHPE]																		
0,25	[Material]	[SEIFSA TABLE G 1]																		
0.20	[Transport]	SEIFSA Table L2 a																		
[0,15]	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																			

No	Item	Employers Requirements/ Descriptions	Damages payable by contractor
1	PM/SC compliance	Station monthly PM/ SC compliance is 92%. Not complying within three (3) consecutive months.	2% of monthly fixed rate per month not complying after three months of not complying.

2	PSR and authorization within 8 months of the contract	Unavailability of Responsible person (RP) beyond seven (7) days of being notified of non-compliant	2% of monthly fixed cost of RP provided by the Employer per day.
3	PSR and ORHVS within 8 months of the contract	Unavailability of Responsible persons (RP) beyond sixty (60) days of being notified of non-compliant	2, 5% of monthly fixed cost of RP provided by the Employer per day.
4	Response time to urgent breakdowns	Beyond 5 hour of being notified of urgent breakdowns during office hours	1% of monthly fixed cost per incident/ call-out.
5	Poor workmanship	Through an investigation and findings that proof poor workman ship.	Contractor to carry corrective cost
6	SDL&I Compliance	Contractor is expected to comply to SD&LI requirements as per contract.	2,5 % retention of monthly fixed rate per month not complying.

X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to	R0.0 (zero Rand)
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to	the amount of the deductibles relevant to the event
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	The greater of the total of the Prices at the Contract Date and the amounts excluded and unrecoverable from the <i>Employer's</i> insurance) plus the applicable deductibles
X18.4	The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for Defects due to his design, plan and specification, Defects due to manufacture and fabrication outside the Affected Property, loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials), death of or injury to a person and infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	12 months after the end of the <i>service period</i> .
X19	Task Order	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	7 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 <i>Contractor</i> 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 <i>Contractor</i> , 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

Insurance against	Minimum amount of cover or minimum limit of indemnity
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	<u>Loss of or damage to property</u> The replacement cost <u>Bodily injury to or death of a person</u>

person (not an employee of the <i>Contractor</i>) arising from or in connection with the <i>Contractor's</i> Providing the Service	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 44 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 44 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.
AL	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.
Ambient Air	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.
Compliance Monitoring	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.
OEL	means occupational exposure limit.
Parallel Measurements	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
Safe Levels	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.
Standard	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.
SANAS	means the South African National Accreditation System.
TWA	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 *Employer* ensures that the Ambient Air in the area where the *Contractor* 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 *Contractor*, the *Employer* 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 *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* 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 *Employer* 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 *Contractor's* 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 *Contractor* 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)³ 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	
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: Job: Responsibilities: Qualifications: Experience: 2 Name: Job	

³ Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or www.ecs.co.za

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in _____.

A	Priced contract with price list	
11.2(12)	The <i>price list</i> is in _____	
11.2(19)	The tendered total of the Prices is _____	R _____

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:

Identified and defined terms	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"> the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and 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.
		(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*

Item nr	Description	Unit	Expected Quantity	Rate	Price
1	Occupational Health and Safety				
1.1	Safety PPE (4 employees)	Yearly	3		
1.2	Entry Medicals (4 employees)	Once-off	1		
1.3	Periodic Medicals (4 employees)	Yearly	2		
1.4	Exit Medicals (4 employees)	Once-off	1		
1.5	First Aid Box (one box for 3 years)	No.	1		
1.6	Criminal security clearance as defined by Eskom Standards (4 employees)	Yearly	3		
1.7	Safety file	No.	1		
2	Accommodation				
2.1	Accommodation for staff	Day	48		
3	Transport				
3.1	Travelling HWH - Own Vehicle - Single cab bakkie (1)	Km	3120		
	INSPECTIONS - 3 DAYS EVERY 6 MONTHS - NORMAL WORKING HOURS				
1	Technicians - Electrical	hr.	288		
	EMERGENCY CALL OUT - 30 DAYS PER YEAR				
1	Normal Working Hours (Mon-Fri)				
1.1	Technicians - Electrical	hr.	983		

2	Overtime & Saturdays				
2.1	Technicians - Electrical	hr.	206		
3	Sundays & Public Holidays				
3.1	Technicians - Electrical	hr.	253		
	SPARES, MATERIAL AND CONSUMABLES				
1	Helium Dryer	No.	1		
2	Regulator CAL	No.	18		
3	Cylinder	No.	24		
4	Regulator Helium	No.	1		
5	Calibration bottle	No.	54		
6	Hot Zone Unit	No.	54		
7	System Board	No.	6		
8	Power Supply Assembly	No.	6		
9	Column Assembly, Gas Guard	No.	6		
10	Heater	No.	6		
11	LED Green	No.	18		
12	LED Red	No.	18		
13	LED Blue	No.	18		
14	Fuse, TD 4 amps	No.	18		
15	Oil Filter	No.	1		
16	Gas Pump	No.	6		
17	Oil Pump	No.	3		

The total of the Prices

PART 3: SCOPE OF WORK

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C3.1	<i>Employer's</i> Service Information	
C3.2	<i>Contractor's</i> Service Information	
	Total number of pages	

C3.1: EMPLOYER'S SERVICE INFORMATION

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1 Description of the service

1.1 Executive overview

The scope of work covers 3 years maintenance contract for the Serveron Online Gas Analysers installed on the Generator Transformers and Unit Transformers at Medupi Power Station for all six Units. The purpose of the scope is to provide specifications and the scope of work for Online Gas Analysers periodic maintenance as will be specified in the Scope of Work

1.2 Employer's requirements for the services

1.2.1 Regular Maintenance:

- **Schedule Inspections** : Conduct a six monthly inspections of Medupi 18 DGAs. Submit a check sheet detailing of the status of the DGAs and its components.
- **Preventive Maintenance**: Perform tasks that prevent equipment failures, such as calibration, and parts replacement.
- **Cleaning**: Ensure the equipment is cleaned as necessary to maintain optimal operation.

1.2.2 Repairs and troubleshooting

- **Emergency Repairs**: Provide timely repairs in the event of equipment breakdowns or malfunctions, with specified response times for emergency situations.
- **Troubleshooting**: Diagnose issues with the equipment and implement corrective actions to restore functionality.

1.3 Interpretation and terminology

Abbreviation	Meaning given to the abbreviation
NEC	New Engineering Contract
BOM	Bill Of Materials
DCS	Distributed Control System
DGA	Dissolved Gas Analyzer
EMD	Electrical Maintenance Department
ITP	Inspection Test Plan
PO	Purchase Order
OHS Act	Occupational Health and Safety Act
OEM	Original Equipment Manufacture
SOW	Scope of Work
MVA	Mega Volt-Ampere
QCP	Quality Control Plan

2 Management strategy and start up.

2.1 The Contractor's plan for the service

In the TSC3 the *Contractor's* plan is his "design" for performing the *service* throughout the *service period*. Section 2 of the *conditions of contract* describes what the *Contractor* is to show in his plan both in the core clauses and some additional requirements in each of the main Options.

The extent of the *Contractor's* plan will depend on whether the *Contractor* is required to develop a plan in accordance with the *Employer's* broad outline of the *service* or whether the *Employer* has provided a plan for the *Contractor* to follow. Read the TSC3 Guidance Notes pages 21 and 22 for more information on the *Contractor's* plan.

Use this section to describe any particulars which must be taken into account by the *Contractor* in developing his plan as required by clause 21.2. For example information about the order and timing or method of carrying out particular items of work.

List technical reporting and scheduling requirements which are to be incorporated into the *Contractor's* plan.

- Contractor to provide QCPs/ITPs to the employer for approval before the works.
- Contractor provide Quotation for parts and service for approval before the works

2.2 Management meetings

Title and purpose	Approximate time & interval	Attendance by:
Assessment meetings	Biannually	Employer, Contractor and contract Technicians
Contractual Meeting	Biannually	Employer, Contractor and contract Technicians

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

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

2.3 Contractor's management, supervision and key people

Designation	Technicians
Quantity	2

Labour Costs: Include labour costs for maintenance and repair activities, unless otherwise specified in the contract, 2X technicians for 6 monthly inspections and 2X technicians for emergency works and repair activities, depending on the scope of the works additional resources may be discussed and agreed upon.

2.4 Provision of bonds and guarantees

The form in which a bond or guarantee required by the *conditions of contract* (if any) is to be provided by the *Contractor* is given in Part 1 Agreements and Contract Data, document C1.3, Sureties.

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.

2.5 Documentation control

- Maintenance Logs: Keep detailed records of all maintenance and repair activities, including dates, actions taken, and parts used.
- Reporting: Provide reports to the client on the status of the DGAs, maintenance performed, and any recommendations for future actions.
- Document management control will be handled as per the Employer's document and records management procedure 32-1216 which is obtainable from the Employers Representative All communication will be in writing.
- All NEC standard forms shall be used, e.g. Task orders, Early Warnings, Defect certificates and Assessments.
- The Contractor will provide on-site record of all activities carried out on the equipment.
- This record will be permanently displayed and kept in the machine compartment/room.

2.6 Invoicing and payment

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

The *Contractor* shall address the tax invoice to

_____ and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Employer's* VAT registration number 4740101508;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

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

2.7 Contract change management

- a) *The Service Manager* issues a Task order to *The Contractor* to authorise the execution of the work.
- b) In the event where it is identified that there is additional work to be done outside the scope of work on the Task order, *the Contractor* will give *The Service Manager* an early warning with a written quotation.
- c) If agreed, the *Service Manager* issues a revised Task Order or additional Task Order.
- d) *The Contractor* starts the work on the starting date of the Task Order.

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

In order in order to substantiate the Defined Cost of compensation events, the *Employer* may require the *Contractor* to keep records of amounts paid by him for people employed by the *Contractor*, Plant and Materials, work subcontracted by the *Contractor* and Equipment.

The *Contractor* will complete the site log for every site visit, which will be submitted to the *Employers* Representatives for his signature before departure from site. The log will include but not be limited to the following:

- a) Date and day
- b) Site conditions
- c) work done
- d) Labour on site

- e) Any incidents during that period
- f) Any communication taken place

2.9 Insurance provided by the *Employer*

Reference to TSC3 Core Clause 86.1

2.10 Training workshops, technology transfer and Technical Support

User Training: *Contractor* to provide training materials and supporting equipment's/accessories to the *Employer* personnel on the proper use of the DGA software and system interface. The *Contractor* shall have a 2-3 day training per year to the clients personnel.

Technical Support: *Contractor* shall offer ongoing technical support to address any operational issues or questions from the *Employer*.

2.11 Design and supply of Equipment

The contractor is not required to provide designs services to the employer, should there be a need for a change of design for betterment of the equipment proposed by the contractor and validated by the employer, the employer will follow necessary processes by following engineering change management, solutions proposed may be executed by the contractor. Contractor shall refer to works information 241-2022922 for clarity of the works and requirements.

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

2.12.1 Equipment

All equipment and spares that belong to the employer which are with the *Contractor* must be handed back to the *Employer*.

2.12.2 Information and other things

All record books and service information must be given to the *Employer*.

2.13 Management of work done by Task Order

A task order will be issued for tasks at hand as per description from the *Employers* Representative who will be managing this contract on the *Employer's* behalf.

3 Health and safety, the environment and quality assurance

3.1 Health and safety risk management

a) OHS requirements

- The *Contractor/Supplier* shall at all times comply with the Eskom's Occupational Health and Safety (OHS), legal and other requirements as amended for the duration of the contract. In addition, the *Contractor* shall comply with the requirements contained in the OHS Specification/requirements. Eskom reserves the right to terminate the contract, if the *Contractor/Supplier* has built up a history of poor performance or non-conformance in relation to matters of occupational health and safety and legal compliance. **No work may begin until the Health and Safety file has been approved by the individual Business Unit's OHS personnel. For the length of the contract, the contractor shall adhere to the respective Business Unit's OHS, legal, and other requirements, as amended**

b) Continuous Improvement

- Contractors are required to conduct the following as part of the continuous improvement initiatives:
- Visible Felt Leadership by top management
- Identify critical tasks and monitor those tasks through Planned Job Observations
- Behavioural based safety, if the contractor does not have its own procedure, Eskom procedure can be used as a guide
- Contractor 16.1 shall present the lost time injury (LTI) incidents at Business Unit / Power station General Managers meeting within 7 days of the incident.

c) Contractor/supplier Management Key Performance Indicators (KPI's)

- Maintain Health and Safety file and compliance to the health and safety plan
- Always maintain good housekeeping
- Implement and monitor near miss programme
- Comply to BSO, Visible Felt Leadership and Planned Job Observation programmes
- Zero Fatalities
- At any given point, the OHS performance must be within the lost time injury (LTI) tolerance level as amended
- All incident investigations shall be completed within 30 days of the occurrence of an incident.
- Close audit findings as per the recommended time frames
- Close Non-conformance as per the recommended time frames

d) Contract completion and sign off

On completion of the project, Eskom team (led by the Contract custodian/ Project Manager) involved in the project together with the Contractor shall conduct the final audit/inspections to identify the gaps prior to the contractor leaving site or completing the project. Before the final invoice is paid/processed, the Contract custodian/Project Manager shall ensure that the below requirements are met:

- Close all incidents and audit findings.
- Clean the respective yard and ensure good housekeeping where the contractor was working.
- Contractor shall submit safety statistics and a safety file to Eskom BU Safety department for closeout and filling.
- Completion of a closeout report (Annexure D form as per 32-726) to close the contractual work
- Once the above issues have been addressed, the Contract custodian/Project Manager shall verify and sign off prior to releasing the final payment.

e) OHS 37(2) Agreement

- The function of the 37(2) Agreement is primarily to indemnify Eskom from any acts or omissions by its contractors/suppliers and its employees in contravention of the OHS Act. This means that contractors/suppliers are deemed to be employers, their employees are not deemed to be employees of Eskom and acknowledges that is solely responsible for its employees, its appointed contractors, agents and the like, while performing work for or on behalf of Eskom. Every site where the contractor is performing work, a 37(2) agreement shall be signed by the site contract custodian and the contractor/supplier representative 16(1)/2 appointee.

f) Compensation of injuries and diseases (COLD)

- Eskom is required by law to ensure that their contractors/suppliers have registered with the compensation fund and are in good standing. The Main contractor and all his/her appointed contractors shall be registered with an appropriate compensation fund and have available a valid letter of good standing (LoG) from such commissioner. The obligation lies with the contractors to ensure that the LoG remain valid throughout the contract period. A copy of the LoG must be filed in the contractor OHS files.

Note: Contractors without the valid letter of good standing shall not be permitted to work on Eskom Generation site or project. Contractors must obtain the letter of good standing prior to expiry of the existing one.

3.2 Environmental constraints and management

The Contractor shall comply with the environmental criteria and constraints outlined in the Medupi Power Station Environmental Requirements for contractors and suppliers.

3.3 Quality assurance requirements

Quality Requirements

- a) The Contractor guarantees to utilize the OEM approved parts, components and lubricants.
- b) The Employer may, by arrangement, inspect completed work. If, in opinion of the employer, the work does not comply with the quality requirements expected from Contractor, the Employer shall instruct the contractor to rectify the faults at no additional cost to the employer. The Contractor will comply with the instructions.
- c) All Quality Control documentation must be submitted to the Employer's Representative for acceptance prior to any work commencing.
- d) The Contractor shall comply with the quality requirements as stated in QM-58(As applicable).

4 Procurement

4.1 People

4.1.1 Minimum requirements of people employed

- a) The contractor's safety file is approved by Employers Safety department.
- b) All personnel have undergone screening for criminal records and outstanding arrests warrants.
- c) All personnel have attended site-specific safety induction training.
- d) Compiled with the requirements as stated in the General Works Information

4.1.2 BBBEE and preferencing scheme

The Contractor shall ensure that it maintains the B-BBEE's level of contribution with which it was awarded a contract. Should the Contractor for any reason, including a change in legislation, lose its status then it will be given 184 days to comply.

4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)

The *Contractor* complies with and fulfils the *Contractor's* obligations in respect of the Accelerated and Shared Growth Initiative - South Africa in accordance with and as provided for in the *Contractor's* ASGI-SA Compliance Schedule stated below.

[Insert the agreed ASGI-SA Compliance Schedule here]

The *Contractor* shall keep accurate records and provide the *Service Manager* with reports on the *Contractor's* actual delivery against the above stated ASGI-SA criteria. [Elaborate on access to and format of records and frequency of submission etc.]

The *Contractor's* failure to comply with his ASGI-SA obligations constitutes substantial failure on the part of the *Contractor* to comply with his obligations under this contract.

4.2 Subcontracting

4.2.1 Preferred subcontractors

Only sub- Contractors authorized by the *Employer* will carry out work on the equipment in terms of this contract.

- a) Preferred subcontractors
- b) If the *Contractor* subcontracts work, he is responsible for providing the Service as per the contract.
- c) This implies that the Subcontractor's employees and equipment is the *Contractor's*.
- d) Limitations on subcontracting
 - i. The *Contractor* submits in writing the name of each propose Subcontractors with certificates and registration documentation to the *Employers* Representative for acceptance/ rejection.
 - ii. The *Contractor* does not appoint a proposed Subcontractor until the *Employers* Representative has accepted him.
- e) Possession, Control of Equipment
- f) The *Contractor* will not assume possession or control of any part of the equipment all of which shall remain exclusively the property of the *Employer*.

4.2.2 Subcontract documentation, and assessment of subcontract tenders

Not applicable, the nature of the services will not require any subcontracting as the tenderer/contractor will be authorized by the OEM to provide such services and any subcontracting of the services will render the

contractor to be incompetent and may have not been honest with the OEM when requesting authorization to provide the services for DGAs

4.2.3 Limitations on subcontracting

Not applicable

4.2.4 Attendance on subcontractors

Not applicable

4.3 Plant and Materials

4.3.1 Specifications

System Upgrades: *Contractor* shall Implement upgrades or modifications to the equipment as required or requested by the employer, which may involve software updates, hardware replacements, or improvements.

Retrofits: *Contractor* shall provide retrofit services to enhance the performance or capabilities of the equipment as technology evolves.

4.3.2 Correction of defects

- *Employer* shall create POs for the service and maintenance of the DGAs including defects on the plant.
- *Contractor* shall correct the defects according to the scope of work accompanied by a purchase order
- *Contractor* shall provide QCPs/ITPs to the employer for approval before defects are corrected.
- *Contractor* shall submit a copy of a signed QCP/ITP after the defected had been corrected.

4.3.3 Contractor's procurement of Plant and Materials

Supply of Spare Parts: Ensure availability and supply of necessary spare parts for the equipment as per appendix B, bill of materials. Supplier shall submit the complete BOM with costs and lead times if each spare as per BOM as part of tenderer returnable as per C2.2 above.

4.3.4 Tests and inspections before delivery

Contractor shall conduct six monthly inspections or as agreed outside the contract with the client and send a report on the status of the DGA and other key metrics such as:

- Transformer serial number
- DGA Serial number
- Helium Pressure
- Calibration Pressure
- Hot zone unit status
- Manifold Operation
- Communications/ IP Address
- Power Supply
- Firmware Version

- LEDs

4.3.5 Plant & Materials provided “free issue” by the *Employer*

List any Plant and Materials which are to be provided by the *Employer*.

1. Access to the plant and plant availability will be provided by the *Employer*
2. Failed and replaced Hazardous components/materials will be disposed by the *Contractor*.
3. All other materials are to be provided by the *Contractor* including computer/laptop and interface accessories to the DGA and software rights etc.

4.3.6 Cataloguing requirements by the *Contractor*

Contractor is not required to catalogue the spares but will be required to provide necessary and required technical specifications or datasheets for the *Employer* to catalogue the spares as in the BOM.

5 Working on the Affected Property

Works on all components to be executed as per as per 810-1734-00 Rev A service plan

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

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

- a) The *Contractor's* safety file is approved by *Employer's* Safety department.
- b) All personnel have undergone screening for criminal records and outstanding arrests warrants.
- c) All personnel have attended site-specific safety induction training.
- d) Compiled with the requirements as stated in the General Works Information

It is very important that the *Contractor* keeps records of his people working on the Affected Property, including those of his Subcontractors. The *Service Manager* shall have access to them at any time.

5.2 People restrictions, hours of work, conduct and records

The *Contractor* shall have timesheets that shall be acknowledged and signed off by the *Employer* after execution of the services/works for record of hours worked.

The *Contractor* shall provide services with the normal *Employer* working time 07:00-16:15 Mon-Thursday and 07:00-12:15 on Fridays.

5.3 Health and safety facilities on the Affected Property

As per section 3 on the NEC 3 TSC

5.4 Environmental controls, fauna & flora

The *Contractor* shall dispose of any waste or hazardous materials in compliance with Medupi environmental regulations.

5.5 Cooperating with and obtaining acceptance of Others

Except as directed by the *Employer*, the *Contractor* shall in no way interfere with, remove, adjust or operate plant, materials and /or equipment of or being supplied or operated by Other Contractors.

5.6 Records of Contractor's Equipment

Not applicable to the services required.

5.7 Equipment provided by the Employer.

Not applicable for the services required.

5.8 Site services and facilities

5.8.1 Provided by the Employer

The employer shall provide restrooms, waste disposal, power , fire protection and water etc should they be required. the *Contractor* shall provide everything else necessary for Providing the Services.

5.8.2 Provided by the *Contractor*

Contractor is responsible for accommodation and vehicle to drive to the station. Due to the nature of the activities to be performed, site establishment in terms of storage and office is not required unless stated otherwise by the *contractor* of which the *contractor* shall provide and employer shall reserve/find a location for such establishment.

5.9 Control of noise, dust, water and waste

- *Contractor* shall adhere to Eskom PPE policy and ensure that all technicians executing the works are wearing the correct PPE and are protected against noise, dust, water and waste.
- *Employer* shall provide mitigations in terms of oil spillage and excess water if any around the transformer bay where the DGAs are located.
- The *contractor* and the *employer* shall discuss a baseline risk assessment and ensure that all identified risks for the activities to be performed have controls.

5.10 Hook ups to existing works

Not applicable

5.11 Tests and inspections

5.11.1 Description of tests and inspections

Contractor shall conduct six monthly inspections and tests or as agreed outside the contract with the client and send a report on the status of the DGAs and other key metrics such as:

- Transformer number
- DGA Serial number
- Helium Pressure
- Calibration Pressure
- Hot zone unit status
- Manifold Operation
- Communications/ IP Address
- Power Supply
- Firmware Version
- LEDs

5.11.2 Tests during Outages/Shutdown

As when required, the *contractor* shall perform the following services as per 810-1734-00 Rev A.

- Helium Gas leak check
- Helium Dryer leak check
- Oil filter service

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- Simulations of all gases alarms to DCS
- DGA condition monitoring
- Implementation of approved upgrades and modifications.

5.11.3 Materials facilities and samples for tests and inspections

State what materials facilities and samples for tests and inspections the *Contractor* and the *Employer* are to provide, per core clause 40.2.

The *contractor* will provide laptop, interface connection/cable and other materials to complete the works, the works are being done at the transformer bays DGAs, there are no work activities that require material facility based on the 241-2022922 SOW, provisions by the employer could be made based on the necessity of the requirement or the activity.

6 List of drawings

6.1 Drawings issued by the *Employer*

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

Drawing number	Revision	Title
0.84/49541	1	MEDUPI POWER STATION Generator Transformer DGA P & ID
0.84/56040	1	MEDUPI POWER STATION Generator Transformer DGA Mimic
0.84/49546	1	MEDUPI POWER STATION Unit Transformer 2 DGA P & ID
0.84/56350	1	MEDUPI POWER STATION Unit Transformer 2 DGA Mimic