



## NEC3 Term Service Contract (TSC3)

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

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

**for The Provision of Quality Assurance Activities on  
Outages (Planned and Unplanned), Maintenance and  
Projects Activities at Tutuka Power Station for a  
Period of 5 Years.**

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<b>Contents:</b>	<b>No of pages</b>
<b>Part C1 Agreements &amp; Contract Data</b>	<b>[•]</b>
<b>Part C2 Pricing Data</b>	<b>[•]</b>
<b>Part C3 Scope of Work</b>	<b>[•]</b>

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**CONTRACT No. [Insert at award stage]**

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THE PROVISION OF QUALITY ASSURANCE ACTIVITIES ON OUTAGES (PLANNED AND UNPLANNED), MAINTENANCE AND PROJECTS ACTIVITIES AT TUTUKA POWER STATION FOR A PERIOD OF 5 YEARS.

## **PART C1:      AGREEMENTS & CONTRACT DATA**

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

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THE PROVISION OF QUALITY ASSURANCE ACTIVITIES ON OUTAGES (PLANNED AND UNPLANNED), MAINTENANCE AND PROJECTS ACTIVITIES AT TUTUKA POWER STATION FOR A PERIOD OF 5 YEARS.

## C1.1 Form of Offer & Acceptance

### Offer

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

#### **The Provision of Quality Assurance Activities on Outages (Planned and Unplanned), Maintenance and Projects Activities at Tutuka Power Station for a Period of 5 Years.**

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 <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:**

\_\_\_\_\_  
(Insert name and address of organisation)

Name &  
signature of  
witness

Date

Tenderer's CIDB registration number:

### Acceptance

<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*.

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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  
Megawatt Park, Maxwell Drive, Sandton, Johannesburg*

Name &  
signature of  
witness

Date

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

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### 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)

Name & signature of witness \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Eskom Holdings SOC Ltd  
Megawatt Park, Maxwell Drive, Sandton,  
Johannesburg

\_\_\_\_\_

\_\_\_\_\_

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## C1.2aTSC3 Contract Data

### Part one - Data provided by the *Employer*

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>X18: Limitation of liability</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>[•]</b>
	Address	<b>[•]</b>
	Tel	<b>[•]</b>
	Fax	<b>[•]</b>
	e-mail	<b>[•]</b>
11.2(2)	The Affected Property is	<b>Tutuka Power Station</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)

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11.2(13)	The <i>service</i> is	<b>The Provision of Quality Assurance Activities on Outages (Planned and Unplanned), Maintenance and Projects Activities at Tutuka Power Station for a Period of 5 Years.</b>
11.2(14)	The following matters will be included in the Risk Register	<b>Industrial Action</b> <b>Community unrest</b> <b>Health and safety incidents</b> <b>Unavailability of QA Inspectors</b> <b>Insufficient competency of QA inspectors</b> <b>Delays in QA reviews or approvals</b> <b>Poor or delayed QA documentation</b> <b>Non-attendance at mandatory meetings</b> <b>Late or incomplete QA documentation</b> <b>Delays in QA reviews and approvals</b> <b>Failure to report or escalate non-conformances</b> <b>Loss or mismanagement of QA record</b>
11.2(15)	The Service Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.1	The <i>language of this contract</i> is	<b>English</b>
13.3	The <i>period for reply</i> is	<b>24 hours</b>
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	<b>1 week of the Contract Date</b>
3	<b>Time</b>	
30.1	The <i>starting date</i> is.	<b>TBC</b>
30.1	The <i>service period</i> is	<b>60 Months</b>
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	<b>the 30<sup>th</sup> day of each month (or, if that day falls on a public holiday or weekend, the next Working Day).</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2	The period within which payments are made is	<b>60 days</b>
51.4	The <i>interest rate</i> is	<b>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</b>

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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	<b>Compensation events</b>	Tasks or Scope of Work not included in this contract or appendices or annexures after contract award
7	<b>Use of Equipment Plant and Materials</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
8	<b>Risks and insurance</b>	
80.1	These are additional <i>Employer's</i> risks	
9	<b>Termination</b>	NEC3 TSC Core Termination Clauses will be applied during Termination.
10	<b>Data for main Option clause</b>	
A	<b>Priced contract with price list</b>	
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
53.3	The <i>Contractor's</i> share is assessed on (dates)	
11	<b>Data for Option W1</b>	
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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration



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		<b>Foundation of Southern Africa (AFSA).</b>																		
	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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ) 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	Standerton, 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.																		
<b>12</b>	<b>Data for secondary Option clauses</b>																			
<b>X1</b>	<b>Price adjustment for inflation</b>																			
X1.1	The <i>base date</i> for indices is	The month prior the closing date of this enquiry																		
	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.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>0.</td><td>[•]</td><td>[•]</td></tr> <tr> <td>15%</td><td colspan="2">non-adjustable</td></tr> <tr> <td>100</td><td colspan="2"></td></tr> </table>	proportion	linked to index for	Index prepared by	0.	[•]	[•]	0.	[•]	[•]	0.	[•]	[•]	15%	non-adjustable		100		
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15%	non-adjustable																			
100																				
<b>X2</b>	<b>Changes in the law</b>	of the Republic of South Africa is a compensation event if it occurs after contract award																		
<b>X17</b>	<b>Low service damages</b>																			
X17.1	The <i>service level table</i> is in	Appendix A																		
<b>X18</b>	<b>Limitation of liability</b>																			
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i>	R0.0 (zero Rand)																		

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	for indirect or consequential loss is limited to	
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	<b>the amount of the deductibles relevant to the event</b>
X18.3	The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to	<b>The greater of</b> <ul style="list-style-type: none"> <li>• the total of the Prices at the Contract Date and</li> <li>• the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles</li> </ul>
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	<b>the total of the Prices other than for the additional excluded matters.</b>  <b>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</b>  <b>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</b> <ul style="list-style-type: none"> <li>• Defects due to his design, plan and specification,</li> <li>• Defects due to manufacture and fabrication outside the Affected Property,</li> <li>• loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• infringement of an intellectual property right.</li> </ul>
X18.5	The <i>end of liability date</i> is	<b>3 months after the end of the service period.</b>
<b>X19</b>	<b>Task Order</b>	
X19.5	The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i> within	<b>Twenty-Four hours of receiving the Task Order</b>
<b>Z</b>	<b>The <i>additional conditions of contract</i> are</b>	<b>Z1 to Z14 always apply.</b>

## **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.

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## **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

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*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

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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

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*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 person (not an employee of the <i>Contractor</i> ) arising from or in connection with the <i>Contractor's</i> Providing the Service	<u><b>Loss of or damage to property</b></u> The replacement cost  <u><b>Bodily injury to or death of a person</b></u> The amount required by the applicable law.
Liability for death of or bodily	The amount required by the applicable law

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injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract	
--	--

**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,

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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:

<b>AAIA</b>	means approved asbestos inspection authority.
<b>ACM</b>	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, normalized 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



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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.

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## C1.2b Contract Data

### Part two - Data provided by the Contractor

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: Responsibilities: Qualifications: Experience:	
CV's (and further key person's data including CVs) are in _____.		
<b>A</b>	<b>Priced contract with price list</b>	
11.2(12)	The <i>price list</i> is in	
11.2(19)	The tendered total of the Prices is	<b>R</b>

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## PART 2: PRICING DATA

### TSC3 Option A

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

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## C2.1 Pricing assumptions: Option A

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

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

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

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

### 2 Function of the Price List

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

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

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

### 4 Preparing the *price list*

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

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

- Has taken account of the guidance given in the TSC3 Guidance Notes relevant to Option A;

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

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

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

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

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

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

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

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## C2.2 The *Price list*

ITEM	DESCRIPTION	Unit	Quantity	Duration	Rate		Total
1	PRELIMINARIES & GENERAL						
1.1	Site Establishment - Establishment of Facilities on the Site	Sum	1	1			
1.2	Rental of Facilities for Contractor (Offices and storage sheds for duration of the contract)	Month	2	60			
1.3	Living Accommodation	Month	15	60			
1.4	Ablution and latrine facilities.	Month	2	60			
1.5	Staff Transport to site	Month	1	60			
1.6	Two PPE Per Person	Year	30	5			
1.7	Employees Induction and Medicals	Year	15	5			
1.8	Safety File	Sum	1	1			
1.9	Company overhead costs for duration of the contract (Cost that will be incurred at head office to support site project)						
1.9.1	Fixed Cost – Portion of office rental, lighting, water etc.	Month	1	60			
1.9.2	Variable cost – Office supplies (Stationery, ink, cleaning supplies, and paper)	Month	1	60			
1.10	Site De-establishment	Sum	1	1			
2	QUALITY ASSURANCE RESOURCES						
ITEM NO.	DESCRIPTION	Unit	Quantity	Estimated Hours Per Month	Duration	Rate	Total
2.1	Quality Supervisor	Month	1	173	60		
2.2	Electrical Quality Inspector	Month	2	173	60		
2.3	C&I Quality Inspector: All Plant Areas	Month	2	173	60		
2.4	Mechanical Quality Inspector (1 x Auxiliary Quality Inspector, 2 x Outside Plant and inside plant Mechanical Quality Inspector and 2 x Turbine and Valve Quality Inspector)	Month	5	173	60		
2.5	Welding Quality Inspector (Leve 1)	Month	2	173	60		

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2.6	Welding Quality Inspector (Level 2)	Month	2	173	60			
2.7	Civil Quality Inspector	Month	1	173	60			
						Grand Total		

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PROVISION OF QUALITY ASSURANCE RESOURCES - OVERTIME				
Item no.	Description	UOM	QTY	Total
3	<b>Quality Supervisor</b>			
3.1	Normal Overtime	Per Hr	Rate only	R -
3.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
4	<b>Electrical Quality Inspector</b>			
4.1	Normal Overtime	Per Hr	Rate only	R -
4.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
5	<b>C&amp;I Quality Inspector: All Plant Areas</b>			
5.1	Normal Overtime	Per Hr	Rate only	R -
5.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
6	<b>Mechanical Quality Inspector</b>			
6.1	Normal Overtime	Per Hr	Rate only	R -
6.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
7	<b>Welding Quality Inspector (Leve 1)</b>			
7.1	Normal Overtime	Per Hr	Rate only	R -
7.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
8	<b>Welding Quality Inspector (Level 2)</b>			
8.1	Normal Overtime	Per Hr	Rate only	R -
8.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
9	<b>Civil Quality Inspector</b>			
9.1	Normal Overtime	Per Hr	Rate only	R -
9.2	Public holiday/Sunday Overtime	Per Hr	Rate only	R -
STAFF TRANSPORTATION - OFFSITE				
Item no.	Description	UOM	QTY	Total
10	Travelling offsite	Per Km	Rate only	R -



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## PART 3: SCOPE OF WORK

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

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## 1 Description of the service

### 1.1 Executive overview

#### 1.1.1 Introduction

This contract establishes the framework for the provision of Quality Assurance (QA) activities in support of planned and unplanned outages, maintenance, and project-related activities at Tutuka Power Station. The duration of this contract is set for a period of Five (5) years.

The scope includes, but is not limited to, the execution of Quality Assurance oversight, verification of compliance with technical specifications and regulatory requirements, documentation reviews, and the provision of quality-related reports and recommendations. These services will be carried out in collaboration with station personnel and other *Contractors* to support Tutuka Power Station's commitment to operational excellence and continuous improvement.

A *Contractor* is required to provide this service to strengthen the quality management systems, mitigate operational risks, increase production, and ensure the long-term reliability and safety of Tutuka Power Station.

#### 1.1.2 Purpose

To ensure that a high-quality service is delivered to Tutuka Power Station on Quality assurance activities in all plant areas

### 1.2 Employer's Requirements for the service

The *Contractor* provides the following service:

- Influence quality control methods and documentation to meet any changes to assurance requirements
- Assist Eskom personnel to review QCPs and ITPs
- Assuring adherence to Eskom Quality standards and procedures
- Verify that documentation CONFORMS to requirements and standards.
- The *Contractor* to adhere to the following:
  - Collaborate with other departments during plant inspection activities
  - The *Contractor* will attend meetings to discuss any items arising in connection with this Quality Assurance with the *Service Manager* and to complete the assessment
  - The *Contractor*, QC Department to inform/discuss with stakeholders for possible Quality Assurance inspections
- Identify and report non-conformances – To be completed with close out forms - comprehensively
- Prioritize activities for quality assurance verifications.
- Assess, monitor and report good and sub-standard work practices
- Conduct external inspections of suppliers and products for conformance to specifications
- Verify processes, planning, work packages, procedures
- Verify conformance to standards and assist in the prevention of recurring deviations
- Review work packages, planned maintenance, procedures and modification packages according to the relevant administrative controls.
- Assist and advise on technical history reviews.
- Investigate and initiate / recommend / assist with proposals for corrective actions and the improvement of poor-quality assurance
- Control corrective actions arising from quality deficiencies and expedite the closure thereof.
- Advice and assist maintenance with regard to procedure and work package compilation
- Liaise with Engineers, Management, *Contractors* and Maintenance on any plant related issues with relevant solutions documented
- Drawings, memo's, out of normal, scopes, cutting instruction to be issued by the Engineer

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- Provide advice with regard to rules, regulations and code requirements (welding) – AIA to assist
- Liaise with maintenance line sections with regard to queries.
- Conduct presentations and / or training on quality assurance practices.
- The *Contractor* to carry out Quality Assurance activities by performing inspections during normal maintenance and during Outages as per the *Employer's* specifications.
- All inspections done by the *Contractor* should be in accordance with *Employer's* requirements.
- All new areas and plant to be inspected as not listed in this contract for each discipline on the *Employer's* site only

### 1.2.1 Scope of Work

The *Contractor*:

- Co-ordinate, oversee and control quality assurance activities
- Conduct toolbox talks on a daily basis.
- Provide Leadership on Quality Assurance from end-to-end process
- Transfer of skills to the Tutuka Power Station's employees
- Provide quality Assurance on focus/priority plant as directed by the client
- Provide quality related failure trends and analysis
- To give assurance of high-quality works on plant activities
- Raise an NCRs against *Contractor*.
- Conduct effectiveness reviews on corrective actions
- Monitor compliance to Eskom procedures, standards, processes, and QCP requirements and report quality related issues
- Submit weekly quality reports for quality assurance
- Understand Eskom's Quality Requirements and will be provided with Quality related Procedures.
- Ensure that all quality inspectors to have SAP PM training and access in order to check and do QC sampling on PM's
- Attend all required training provided by Eskom.
- Ensure that all personnel who enter the station must abide to Eskom rules and regulations and will comply with Eskom Life Saving rules.
- Ensure that all communications are printed and filed in *Service Manager's* file.
- Ensure that Timesheets are logged and signed by Services Manager and *Contractor*.
- Ensure that all PPE provided by *Contractor* are SABS approved.
- Ensure that all work is done under a permit to work and signing of LAR
- Ensure that Yearly induction and medical surveillance are done for all *Contractor* personnel

### 1.2.2 Constraints on how the *Contractor* provides the service

- The *Employer* reserves the right to have any of the *Contractor's* personnel removed off site without cancelling the contract if, in the *Employer's* opinion, it is warranted.
- The *Employer* reserves the right to request disciplinary / corrective action if, and when, required.
- The *Employer* reserves the right to have any of the *Contractor's* personnel removed off site without any compensation in the event of *Contractor's* personnel being in Contravention with the OHS Act or any other *Employer's* Rules, Regulations and Procedures
- The *Contractor* must submit Curriculum Vitae of its entire staff prior to work commencing on site.
- The *Contractor* must submit valid, certified copies of qualifications and or certificates of its entire staff prior to work commencing on site.
- The *Contractor* will be responsible for the full payment of the legislative training costs for every employee at the *Contractor's* cost, in the event that the employee have to redo the training due to failing at the first attempt as well as the subsequent attempts that follows until the employee is authorised.

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- Early warning raised by *Contractor* for any deviations on timelines or schedule to be sent to *Service Manager* for approval
- All known services will be brought to the attention of the *Contractor* by the *Service Manager*. Should the *Contractor* encounter any other services in the work area, he will immediately bring it to the attention of the *Service Manager* who will issue instructions as to what actions are to be taken.
- The contract will strictly be in accordance with the NEC TSC3. Early warnings, compensation events etc. are to be notified to the delegated personnel such as *Service Manager*.
- The *Contractor* complies with all site regulations issued by the *Employer*.
- Care must be taken to prevent damage to any surroundings such as plant, roads or equipment in and around existing buildings.
- The *Contractor* and his employees will be required to conduct themselves at all times in proper and orderly manner while on the *Employer's* premises.
- The *Contractor* and his employees may only smoke in the allowed / dedicated areas.
- The *Employer* will take immediate steps to institute criminal investigations in the event of any suspected criminal acts e.g. theft etc.
- Repeated serious criminal acts by *Contractor's* staff will be grounds for the cancellation of this contract.
- The *Contractor* will be required to clean and remove any debris and rubble arising from any work done under any agreement originated from this contract to ensure that the *Employer's* premises are left in a clean condition.
- All known services will be brought to the attention of the *Contractor* by the *Service Manager*. Should the *Contractor* encounter any other services in the work area, he will immediately bring it to the attention of the *Service Manager* who will issue instructions as to what actions are to be taken.
- The *Contractor* is not allowed to start any work on site before the *Employer's* representative has issued the relevant working permits and ensured it is safe to work on.
- All material, equipment and tools necessary to carry out the specific scope shall be supplied by the *Contractor*.

### 1.2.3 Co-ordination and Control of Quality Assurance Activities

The *Contractor*:

- Reviews and provide quality assurance on quality control plans considering high priority defects, production, targets, plant availability, planned and unplanned maintenance, staff, *Contractors*, and spares availability etc
- Approve "stop work" orders if quality and safety standards are compromised
- Control the close-out of quality deficiencies (NCRs) by reviewing and approving initiatives, proposals or corrective actions for improvements
- Review and provide quality assurance on QC processes by reviewing all documentation and system information and validate information to maintain accurate data.
- Identify potential project quality risks - assurance.
- Conduct quality audits
- Conduct effectiveness reviews on corrective actions

### 1.2.4 Special Requirements

- Risk assessments must be completed before each task.
- The *Contractor* shall comply to Eskom Lifesaving rules.
- Eskom safety, quality and outage meetings to be adhered to – teams or in person
- The *Contractor* will comply within Eskom Quality Standard's.
- Site conditions will be according to the Eskom and Safety regulations standards.
- Tools, site, cabins and equipment shall be inspected by *Contractor* and check sheet must be filled and ensure to maintain good housekeeping.
- Audits on *Contractor* will be done on a frequent basis.
- 4 x BSO evaluations to be done each month

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- All Eskom Safety Regulations must be adhered to.
- Review Quality Control Plans and Contract Quality Plans as per requirement of QM58
- Eskom Transport procedures to be always adhered to
- The *Contractor* to have and comply to the following documents: -
- Quality Management System Requirements ISO 9001: 2015 version
- Valid Certification of Quality Management System by an ISO accredited body
- The *Contractor* to be ISO 9001: 2015 certified

### 1.2.5 General *Contractor's* Obligations

- The *Contractor* Perform Quality Assurance activities on Outages, Projects and Maintenance activities as-and-when requested.
- Working hours is Eskom working time and overtime might be required depending on the workload.
- A request for absence from the workplace must be negotiated with Eskom. In periods of absence a negotiated substitute will replace the absentee.
- Should the *Contractor* need to bring in extra people under its control, this must be negotiated with the *Service Manager*.
- In case of a *Contractor's* employee (Quality Inspector) leaving work or terminating His/her contract for any reason, The *Contractor* shall ensure the employee is replaced within 2 weeks
- All records will be seen as Eskom property and may not be used for other companies.
- Any deviations to the program / plan to be communicated within eight hours.
- The *Contractor* will be working along with other *Contractors*
- *Contractor* to supply own consumables
- Private calls and internet connection will be on the account of the *Contractor*
- The *Contractor* to provide proof of experience and qualifications for approval by *Service Manager*.
- The *Contractor* will report directly to the *Service Manager*.
- Audit on *Contractor* will be done on a frequent basis as per *Employer's* Audit Plan.
- *Contractor* to make use of own facilities and provide own tea, coffee, sugar, etc.
- Quality control plan and contract Quality plan approval process standards as per QM 58 to be adhered to.
- The *Contractor* will make use of the LAR system.
- Workers register and Risk Assessment Form must be completed before each task.
- Eskom required and relevant training for the services will be provided by *Employer*.
- All communications must be done electronically or printed and filed in *Service Manager's* file.
- *Contractor* personnel to attend meetings as requested by the *Service Manager*
- Timesheets to be logged and signed by *Service Manager* and *Contractor*.
- All PPE to be provided by *Contractor* at own cost and must be SABS approved.
- All work will be issued via the SAP Plant Maintenance system (Work Order & Purchase Order).
- All defected equipment / material to be reported to the *Employer* via SAP System.

The *Contractor* will also provide:

- Documentation that verifies that the work performed meets the minimum standards established by the specifications.
- Weekly and Monthly activity reports to indicate their involvements in the daily running of the Power station and interface with the relevant department.
- Monthly presentation of quality risks, issues, actions, solutions, and improvement actions.
- Report reworks and cost saving methods.
- Conduct and Provide report on Supplier/*Contractor* quality internal Audits.
- Offer on the job and awareness training.
- Submit monthly reports for plant failure mode effective analysis

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### 1.3 Interpretation and terminology

The following abbreviations are used in this Service Information:

Abbreviation	Meaning
ISO	International Standards Organization
NCR	Non-Conformance Report
OHS Act	Occupational Health and Safety Act
PPE	Personal Protective Equipment
QC	Quality Control
QCP	Quality Control Plan
QIP	Quality Inspection Plan
SANS	South African National Standards
SHEQ	Safety Health Environment and Quality
QA	Quality Assurance

## 2 Management strategy and start up

### 2.1 The *Contractor's* plan for the service

- To be discussed before each task order can be carried out between the *Contractor* and the *Employer*.
- Programme to be supplied on request on a signed hard copy as well as a soft copy.

### 2.2 Management meetings

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

Title and purpose	Frequency	Location	Attendance by:
Kick-off Meeting	Once off	Tutuka Power Station	<i>Employer and Contractor</i>
Risk Register and compensation events	As and when required	Tutuka Power Station	<i>Employer and Contractor</i>
Departmental Safety meeting	Monthly	Tutuka Power Station	<i>Employer and Contractor</i>
Outage meetings	Daily during outages	Tutuka Power Station	<i>Employer and all Contractors</i>
Technical meeting	Weekly	Tutuka Power Station	<i>Employer and Contractor</i>
The <i>Employer's Contractors</i> Safety Meeting	Monthly	Tutuka Power Station	<i>Employer and all Contractors</i>
Overall contract performance progress and feedback	6 Monthly	Tutuka Power Station	<i>Employer and Contractor</i>



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*The Contractor* will comply with the requirements as set by the *Employer*. *The Contractor* will provide detailed feedback.

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**

- 2 x Electrical Quality Inspectors (All plant areas)
- 5 x Mechanical Quality Inspector
- 2 x Welding Quality Inspector level 1
- 2 x Welding Quality Inspector level 2
- 1 x Civil Quality Inspector
- 2 x C&I Quality Inspector: All Plant Areas
- 1 x Quality Supervisor

## **2.4 Provision of bonds and guarantees**

- Not applicable

## **2.5 Documentation control**

- Each instruction, certificates, submissions, proposal, records, acceptance, notification, reply and other communication which this contract requires is communicated in the form of which can be read, copied and recorded.
- Writing is in the language of this contract.
- All communication must be printed and filed in the *Service Managers* file
- Monthly and weekly reports to be discussed, compiled and handed in to the Eskom Supervisor and *Service Manager* (to be announced by *Employer*)

## **2.6 Invoicing and payment**

The *Contractor* shall include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*.
- The contract number and title.
- *Contractor's* VAT registration number.
- The *Employer's* VAT registration number 4740101508.
- Description of service provided for each item invoiced based on the Price List.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.
- Purchase Order number.
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT; CPA calculation sheet and the Invoice for CPA (with the GL Account Number and the CC on the Invoice) to be sent to the financial department as per Eskom Invoicing procedure / instruction.
- Eskom Invoicing and payment procedure to be followed.

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## 2.7 Contract change management

- Where *Contractor* does Name Changes, Mergers, Acquisitions and Cessions the *Employer's* procedures must be followed. (Eskom Procurement and Supply Management)
- In a case where one *Contractor* takes over from another *Contractor*, the *Site Service Manager* must be notified in writing immediately.
- The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.

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

- All the original documentation must be kept by the *Contractor*.

## 2.9 Insurance provided by the *Employer*

- Refer to Contract Data section 8

## 2.10 Training workshops and technology transfer

- The *Contractor* shall be obliged to carry out the service for which the training was provided.
- *Contractor* staff to be found competent to work at Heights

## 2.11 Design and supply of Equipment

- *Contractor* provides all required equipment to perform the work.

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

### 2.12.1 Equipment

- None

### 2.12.2 Information and other things

- All reports / documents to be compiled, filed, discussed and handed over to the *Employer* on a weekly basis (the day in the week to be announced by *Employer*) and at the end of the service.
- On Completion of contract the *Contractor's* safety file will be hand over to the *Service Manager* and will be saved for 40 Years after completion / termination of the contract
- All PM's to be signed off and handed back to the *Service Manager* on a daily basis

## 2.13 Management of work done by Task Order

- A Task Orders / Purchase Orders are the instruction to commence work.
- No work shall commence until Task Order / Purchase Order is issued and has been finalised, accepted and signed by both the *Employer* and *Contractor*.
- All work will be issued on a Task Order system.
- The Work Order, Purchase Requisition, Task Order and Purchase Order will be created via the SAP PM system.
- Completion certificate to be issued after tasks is completed on the Task Order. Completion certificate must be submitted together with the Assessment.

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### **3 Health and safety, the environment and quality assurance**

#### **3.1 Health and safety risk management**

The *Contractor* shall comply with the health and safety requirements contained in Annexure SHEQ Specifications 14RISK SRM-084 to this service Information.

##### **Eskom SHEQ Policy**

Eskom has made a commitment to conduct business with respect and care for people, the environment and assets and that no operating condition or urgency of *service* justifies exposing anyone to negative risks arising from Eskom's business.

Compliance with the Eskom SHEQ Policy and applicable regulations is the responsibility of every employee and *Contractor*.

##### **Contractor SHEQ Policy**

All *Contractors* shall have an OHS policy signed by the CEO of the *Contractor* and prominently displayed where employees normally report for duty.

Signed copy of the OHS policy shall form part of the SHE file.

##### **SHE Plan Requirements**

- Principal *Contractors* shall develop a suitable and sufficiently documented site specific SHE plans, based on the scope of work and client SHEQ specification.
- The SHE plan must be pre-approved by the client for implementation. The principal *Contractor/Contractor* has a responsibility to send the SHE plan to the client for approval prior to commencement of work.
- The SHE plan must be applied from the commencement of and for the duration the construction work, which must be updated / reviewed as the work progresses/changes.

When a principal *Contractor* intends appointing *Contractor*, the principal *Contractor* shall ensure that the *Contractor* provides and demonstrate a suitable, sufficiently documented and coherent site-specific health and safety plan, based on the client's SHEQ specifications and scope of work

- The *Contractor* must ensure that all personnel attend the *Employers* health and safety Induction Course prior to starting with the works.
- All Eskom health and safety requirements to be adhered to
- *Contractor's* Health and Safety file to be handed in for approval, and kept up to date by the *Contractor*

##### **Health and Safety Arrangements**

The *Contractor* ensures that all his personnel attend a Health and Safety Induction Course prior to contract starting date and annual re- induction. The Induction Course is presented by the *Employer's* Safety Risk Department at Tutuka Power Station. Arrangements are made with Safety Risk Management, by the *Contractor*.

The *Employer's* Safety Risk Manager visits and inspects the *Contractor's* workplace or site yard and the working areas to ensure that tools; machinery and Equipment comply with the minimum safety requirements.

The *Service Manager* may instruct the *Contractor* to stop work, where the *Contractor's* personnel fail to conform to safety standards or contravene health and safety regulations. Such stop-work order is not a compensation event. The *Service Manager* may instruct the *Contractor* to discipline his employees and to submit a disciplinary action report to the *Service Manager*. The *Contractor* implements additional health and safety precautions where necessary.

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The *Contractor* complies with the Occupational Health and Safety Act 85 of 1993, as well as Eskom procedure as stipulated below:

- SHEQ Policy 32-727
- Eskom Procurement and Supply Chain Management Procedure 32-1034
- SHE Requirements for the Eskom Commercial Process 32-726
- *Contractor* Health and Safety Requirements 32-136
- Integrated SHE Organization, Roles and Responsibilities and Statutory
- Appointments 32- 296
- Live-saving Rules 240-62196227
- Working at Heights 32-418
- Eskom Vehicle Safety Specifications 32-345
- Tutuka *Contractor* SHEQ Specifications 14RISK SRM - 084

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 authorised in terms thereof and who have received sufficient safety training to ensure that they can comply therewith.

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.

The *Contractor* shall appoint a person who will liaise with the Eskom Safety Officer responsible for the premises relevant to this contract.

Do safety audits at the *Contractor's* premises, its workplaces and on its employees.

Refuse any employee, sub-*Contractor* or agent of the *Contractor* access to its premises if such person has been found to commit any unlawful act or any unsafe working practice or is found to be not authorised or qualifies in terms of the OHSACT.

Issue the *Contractor* with a work stop order or a compliance order should Eskom become aware of any unsafe working procedures or conditions or any non-compliance with the Act, Regulations and Procedures by the *Contractor* or any of its employees, sub-*Contractors* or agents.

The *Contractors* Health and safety file is to be submitted for approval to Tutuka Safety Department before contract commencement.

All work stoppages called by the *Employer* to be adhered to

### **First aid and fire fighting**

Adequate first aid and firefighting equipment to be provided by the *Employer*

All *Contractor* personnel must have First aid and firefighting training

### **Fire Precautions**

Any tampering with the *Employer's* fire equipment is strictly forbidden.

All exit doors, fire escape routes, walkways, stairways, stair landings and access to electrical distribution boards is kept free of obstruction and are not used for work or storage at any time. Firefighting equipment must remain accessible at all times.

The *Contractor* takes the necessary action to safeguard the area to prevent injury and the spreading of the fire.

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### **Security, fire protection and safety**

The *Contractor* shall be responsible for ensuring the security of the works, and of his plant, equipment and materials. To that end he shall make adequate provision for access control, lighting and watchman to the works where required.

### **Fire protection**

The provision of Eskom's standard NWS 1494 "Fire Prevention and Protection of *Contractor's* premises at New Works Sites" shall be applicable.

### **Safety and incident prevention**

The *Contractor* shall implement and maintain an active Site Safety and Accident Prevention Programme in accordance with the Tutuka SHEQ Specifications. The overriding regulations will however be the Occupational Health and Safety Act.

### **Reporting of accidents**

The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Contractor* is expected to fully co-operate to achieve this objective. The *Service Manager* must be informed immediately of any incidents. A written report to be submitted to the *Employer within 24 Hours* of incidents and any damage to property or equipment

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

### **Occupational Health and Safety Act 85 Of 1993 – SECTION 37**

In accordance with Section 37 (2) of the Act, the *Contractor* is appointed by the *Employer* as mandatory to assume Health and Safety duties and responsibilities. The *Contractor* ensures compliance with all requirements of the Act and any instruction or notification that enhances those requirements.

The *Contractor* acknowledges that he is fully aware of all the requirements of the Occupational Health and Safety Act and undertakes to employ only staff who have been duly authorised in terms thereof and who receive sufficient safety training to ensure that they can comply therewith.

The *Contractor* undertakes not to do, and not to allow anything to be done which will contravene any of the provisions of the Act, Regulations or Safety and Operating Procedures.

The *Contractor* appoints a person who liaises with the *Employer's* Safety Officer, responsible for the premises relevant to the Contract. The person appointed shall on request:

- Supply the *Employer's* Safety Officer with copies of minutes of all Health and Safety Committee meetings, whenever required.
- Supply the *Employer's* Safety Officer with copies of all appointments in respect of employees employed on this contract, in terms of the Act and Regulations and shall notify The *Employer's* Safety Officer of any changes thereto.

The *Employer* may, at any stage during the duration of this contract:

- Perform safety audits at the *Contractor's* premises, its workplace and its employees.
- refuse any employee, Sub-*Contractor* or agent of the *Contractor* access to its premises if such person is found to commit any unsafe act or any unsafe working practice or is found not to be duly authorised nor qualified in terms of the Act;
- Issue the *Contractor* with an instruction to stop work should the *Employer* aware of any unsafe working procedure or condition or any non - compliance with The Act, Regulations and

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Procedures referred to in the Occupational Health and Safety Act - 85 of 1993 and all Regulations made hereunder as well as all the *Employer's* Safety and Operating Procedures. Any such instruction is not a compensation event. Furthermore, no Amendments to the act or the Regulations or reasonable amendment to the *Employer's* and Operating Procedures will entitle the *Contractor* to claim any additional costs or Time incurred in complying therewith, from the *Employer*

### **Safety Regulations of the *Employer***

- The *Contractor* conforms to the Eskom Plant Safety Regulations
- The *Employer* makes available to the *Contractor*, on request, a copy of the latest revision of the Plant Safety Regulations.

### **Safety requirements**

- Annexure B
- Health and Safety plan/OHS manual.
- H&S costing
- Baseline OHS risk assessment.
- Valid letter of good standing or equivalent (LOGs)
- OHS policy (must be signed)
- Proof of OHS competency.

## **3.2 Environmental constraints and management**

The *Contractor* shall comply with the environmental criteria and constraints stated in the following: -

All waste from the project must be disposed in a sound environmental manner in accordance with Tutuka Power Station Waste Management Procedure 14 Risk ENV-013. Oil spillages must be contained and cleaned as per Oil Spill Management procedure 15 ENPRENV-001. The project must conform to Eskom Environmental Legal and other Requirements procedure 14 Risk ENV-012 and the project must conform to Tutuka Power Station ISO14001 Standard with reference to Tutuka Power Station's Environmental Management System Manual 14 Risk ENV-010. All environmental incidents must be dealt with as per the Station's Incident Management, Corrective and Preventative Procedure 14 Risk PC-001 and all environmental incidents must be reported to the Environmental Department on site with Telephone Number 017-7495536/9200.

## **3.3 Quality assurance requirements**

- No Site work is allowed unless the *Employer* accepts the Quality Management System requirements based on the scope of work.
- The *Contractor* must conform to Quality Management System-ISO 9001:2015 requirements.
- The *Contractor* will fully conform to the requirement of the Supplier Quality Requirement Specification (QM-58), standards, procedures and Eskom policies.
- All activities that need to have Quality control plans (QCP) must be in place which will be developed by the *Contractor*, also to be approved by Eskom Engineer prior execution of work.
- The *Contractor* might be subjected to audits. reviews and during the execution of work the client must perform inspections and spot- checks.
- All documents that will be arising from this project or contract must remain with the client.
- Where applicable the *Contractor* must conform/comply with all statutory requirements
- All documented information as per category 2, to be submitted prior work execution for purpose of evaluations.
- Where the principal *Contractor* will be sub-contracting, the principal *Contractor* must provide the documented information on how to control the sub-*Contractor*. The principal *Contractor* must take full responsibility of managing subcontracted supplier.
- The *Contractor*, in conjunction with Tutuka relevant individuals must sign off all Quality Control documents after completing activity or activities.

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## 4 Procurement

### 4.1 People

#### 4.1.1 Minimum requirements of people employed

- All relevant personnel names and titles must be specified to the *Service Manager*
- Only Trained and Skilled people that are qualified to perform work are allowed
- All new staff to be appointed in writing.
- All new staff to do induction training
- All replacements of staff will be in the same discipline (e.g. Artisan for an Artisan with proof of qualifications and CV)
- Experience / knowledge must have qualification / certificate / reference of where and when this was gained.
- In the case where one or more employees of the *Contractor* are requested to leave site for other reasons than 1-2 days sick leave or Annual leave. The personnel must be replaced immediately with the same skill.
- All new staff to be approved by the *Service Manager* before entering the site or commencing work
- When changing personnel a new access to work form to be completed by the *Contractor*
- Only required specified approved amount of personnel to be allowed on site, pre-arrange with *Service Manager*

#### 4.1.2 BBBEE and preferencing scheme

- As per clause Z3 within Contract Data.

#### Procurement requirements

#### PPPFA STRATEGY

Indicate the percentage (%) that is allocated to:

Price	90%
BBBEE Status	10%
Designated commodity (Yes/No)	Yes

## 4.2 Subcontracting

#### 4.2.1 Preferred SubContractors

- Not applicable

#### 4.2.2 Subcontract documentation, and assessment of subcontract tenders

- Not applicable.

#### 4.2.3 Limitations on subcontracting

- None.

#### 4.2.4 Attendance on SubContractors

- Not applicable.

## 4.3 Plant and Materials

#### 4.3.1 Specifications

- The *Contractor* will conduct Quality control inspections on behalf of Eskom to provide an assessment of conformance to specification and quality requirements.

#### 4.3.2 Correction of defects

- All quality related defects to be reported to the *Service Manager*.

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#### 4.3.3 **Contractor's procurement of Plant and Materials**

- The *Contractor* will supply his own consumables.

#### 4.3.4 **Tests and inspections before delivery**

- The *Contractor* is responsible to provide quality assurance services to the *Employer* as detailed in section 5.11. of the Contract Data.

### 5 **Working on the Affected Property**

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

- Lifesaving rules must be adhered at all times.
- Access is limited and controlled by Plant Safety Regulations requirements.
- No employee will be allowed to access the plant or to work without access permit issued.
- All personnel to work on the plant must be registered on the Worker's Register by the Responsible Person.
- All personnel must attend induction before working on site and they must obtain gate permits via the *Service Manager*.
- Unauthorised access to site is prohibited.
- The personnel are expected to be at their working site area at all times.
- No recruitment on site or at the main access gates.
- All activities to comply with the OHSACT regulations.

#### **Security / Criminal Clearance Check**

- Acceptance of this tender is subject to the condition that both the contracting company's management and its employees will provide Eskom with a clear criminal record not older than thirty (30) days from a reputable screening company. If the principal *Contractor* appoints a sub*Contractor*, the same provisions and measures will apply to the sub*Contractor*.
- Acceptance of the tender is also subject to the condition that the *Contractor* will implement all such security measures for the safe performance of the work as required in the scope of the contract.
- *Contractors* are to submit proof of verification record(s) (Security clearance) from SAPS or accredited supplier linked to SAPS AFIS system not older than thirty (30) days, as part of Risk Management process in order to curb any threats against the Installation. It is compulsory for these documents to be submitted to Security for verification before access to site is granted. Only individuals with clear criminal records will be considered.
- *Contractors* are required to submit the SAPS Clearance Certificate obtained by the employee along with a copy of his/her Identity Document or Passport to the site Security Manager. The Security Manager is required to verify the authenticity of the CRC Certificate with SAPS and to cross reference the employee seeking access against known HR databases and site databases to determine if the employee in question has in the past participated in disruptive labour actions and if the individual was dismissed from Eskom and the reason for such dismissal.

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

- Normal working hours are Eskom working hours

Monday to Thursday	07:00 – 16:15
Fridays	07:00 – 12:00
Outages	07:00 – 19:00

- Standby / Call-out might be required or on an as and when required basis depending on the plant status (Outages / Breakdowns)



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- The *Contractor* must be available for any plant break downs during or after hours, weekends and public holidays. The *Contractor* must be on site 2 hours after a call out is made.
- All work to be performed will be on an 'as and when required' basis as per *Service Manager* request and as per plant performance

### 5.3 Health and safety facilities on the Affected Property

The *Contractor* to provide own Emergency preparedness procedure and align to site emergency procedure. In cases of emergency or when these are inadequate, the *Employer* has the following facilities on site which may be made available to the *Contractor*, however, the *Employer* is entitled to recover the associated costs from the *Contractor*.

- Proto team on each shift
- Medical Station and relevant staff on Site.
- Each workshop has a first aid box available.
- Yearly induction for all personnel.
- In an emergency the contract supervisor and *Service Manager* must notified immediately

#### First aid centre

The *Contractor* provides a first aid service to his employees and *Sub-Contractors*. In the case where these prove to be inadequate, like in the event of a serious injury, the *Employer's* medical centre and facilities are available.

Outside the *Employer's* office hours, the *Employer's* first aid services are only available for serious injuries and life-threatening situations.

The *Employer* is entitled, however, to recover the costs from the *Contractor* for the use of the above *Employer's* facilities

### 5.4 Environmental controls, fauna & flora

#### Environmental management

- Proper care of the natural environment is important to prevent nuisance and environmental degradation.
- All *Contractors* shall comply with Eskom environmental management procedures and Environmental legislation
- Environmental incidents shall be reported to the Eskom Environmental Department as per incident management requirements.

#### Waste Management

- Waste segregation is important to facilitate recycling of waste. Ensure that waste material is disposed in the correct bin.
- Eskom periodically collects waste from the bins for disposal in the correct manner.
- No waste should be burned or buried on site.
- Where Eskom and the *Contractor* have agreed that the *Contractor* is responsible for the
- Disposal of its waste, the *Contractor* shall safely dispose of such waste and keep disposal certificates filed.

#### Types and colours of bins used on site:

- Yellow bin for domestic waste
- Orange bin for hazardous waste
- Maroon bin for scrap
- Green box for cartridges

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- Blue box for recyclable paper

### **Radiation protection**

The *Contractor* conforms to the *Employer's* procedure OMOP 2049 and OMOP 2051 when performing any industrial radiography.

### **Hazardous Substances**

It is required in terms of the General Administrative Regulation (Regulation 7) of the Act that any manufacturer, importer, seller or supplier of hazardous chemical substances shall supply the receiver, free of charge with sufficient information for the user, to enable the user to introduce the necessary measures as regards the protection of the health and safety of persons. It is therefore the responsibility of the supplier (dealing directly with the *Employer*) to supply the information. If information is not available for whatever reason, the supplier must indicate and give reasons to the *Employer*.

### **Handling of waste produced by the Contractor**

- All waste introduced to and/or produced on the *Employer's* premises, by the *Contractor*, for this contract, must be handled in accordance with the minimum requirements for the Handling and Disposal of Hazardous Waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry Act 1994 Ref.: BN0621-16296-5.
- The *Contractor* is responsible to appoint a waste coordinator to ensure that all waste produced is handled according to the applicable legislation.
- The *Contractor* is required to ensure that all goods, services or work supplied in terms of the contract conform to all applicable environmental legislation. Where work is done on the *Employer's* site, the goods, services or work supplied also conforms to the *Employer's* environmental specifications.

### **Waste from the cleaning and maintenance of equipment**

The *Contractor* is responsible to contain all waste due to cleaning and maintenance of equipment and disposes of as described below.

### **Stockpiling of waste**

Waste is removed promptly to the designated deposit areas. No stockpiling is permitted.

### **Hazardous waste**

Waste declared as hazardous substances in terms of the Hazardous Substances Act no 15 of 1973 is the responsibility of the *Contractor* to ensure safe removal from the property to a registered Class 1 site

### **Pest Control**

- Only approved herbicides with a low environmental risk shall be used for pest control.
- Only registered pest controllers may apply herbicides on a commercial basis.
- Application of herbicides shall be in accordance with the Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 194.

### **Water Conservation**

- Incidents related to water pollution must be reported to the Eskom environmental department within 24 hours.
- Report / fix leaking taps and pipes to save water.
- Use water sparingly.
- Chemical substances shall not be disposed of in wastewater or storm water drains.

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### **Air Pollution**

- Dust suppression measures must be in place to reduce airborne dust.
- Noxious and offensive odours arising from work activities shall be adequately controlled.

### **Ground Pollution**

- Measures to prevent or control ground contamination shall be put in place e.g. drip trays, bund walls.
- Spill containment, clean-up and ground rehabilitation shall be done as per Tutuka procedures

## **5.5 Cooperating with and obtaining acceptance of others**

### **Interface with Others**

It is likely that other *Contractors* will be working in the same area. Others might however from time to time require limited access to the same area in order to execute maintenance activities and the *Contractor* is to be accommodating in such instances.

### **Planning**

Programmes are submitted in hard and electronic copy. The software package is MS Projects, Open Plan or equivalent, accepted by the *Service Manager*.

### **Progress report**

A Report will be submitted to the *Service Manager* as and when requested.

### **Completion**

- *Contractor* to submit a completion certificate after each task is complete.
- Final completion certificate of contract must be submitted at the end of Contract period.

### **Requirements for Completion.**

- Completion is when the *Contractor* has done all the work, which the Works Information states he is to do by the Completion Date.
- The Site is handed back to the *Employer* in a condition acceptable to the *Service Manager*.

## **5.6 Records of Contractor's Equipment**

- All equipment and tools need to be marked and a list off all tools with the identification number to be provided to the *Service Manager* when entering site.
- All lost equipment and tools to be declared to the *Service Manager* and full details of incident.
- *Contractor's* equipment (Cellphones with Camera's, Computers, Camera's etc) to be declared and signed in at security.
- All test equipment must be calibrated and tested regularly, and certificates must be handed in to the *Service Manager* for record keeping

### **All equipment and appliances**

All equipment or appliances used by the *Contractor* conforms to the applicable South African Safety Standards and is maintained in safe and proper working condition. The *Service Manager* has the

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right to stop the *Contractor's* use of any equipment or appliance that in the *Service Manager's* opinion does not conform to the foregoing. The *Contractor* only employs skilled persons, certified in terms of the relevant acts.

## 5.7 Equipment provided by the *Employer*

- Mobile, Overhead cranes, forklifts, air winches and other winches to be provided and operated by the *Employer*
- All rigging equipment over five tons to be provided by the *Employer* and to be used under Eskom supervision.

## 5.8 Site services and facilities

### 5.8.1 Provided by the *Employer*

- The *Employer* supplies 220 & 380 V AC power supply at existing points for the purpose of the works only
- The *Employer* supplies portable water for the purpose of the works, at existing points and in reasonable quantities. Uninterrupted supply is not guaranteed and is not grounds for compensation events.
- *Employer* will provide facilities (such as toilets).
- Scaffolding where needed and must be planned 2 days upfront for non-emergent work
- Working space / area
- Gas test and environmental certificate
- All *Employers* required training will be provided by the *Employer*.

### 5.8.2 Provided by the *Contractor*

- *Contractor* to provide and ensure safe transportation services for all *Contractor's* employees and it must comply with 32-93 and 33-345 procedures.
- Access permits [Refer to procedure: Access Control at Eskom premises (32-1134)]
- *Contractor* to provide own (coffee, sugar, milk, tea, etc.)
- All computers and printers, and accessories needed to be provided by the *Contractor*.
- All PPE to be provided by *Contractor* at own costs for all weather types and must be SABS approved and meet Eskom standards.
- Gloves and dusk masks will be supplied by the *Contractor*.
- Provide SABS approved Safety harnesses as per Eskom Safety requirements and must be inspected daily and logged.
- *Contractor* will provide a Method Statement explaining how the SOW will be executed, and this must form part of the Tender returnable.
- The *Contractor* makes own arrangements for accommodation and meals at own costs.
- The *Contractor* provides its own cell phone and the cost thereof.
- The *Contractor* will be responsible for all non-Eskom telephone calls, faxes and internet usages.

## 5.9 Control of noise, dust, water and waste

- All necessary and relevant PPE must be always used when entering or working on plant.
- Work Permit Risk Assessment forms must be completed before commencing with any task.
- All relevant procedures to be always used and adhered to.

## 5.10 Hook ups to existing works

Not applicable

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### 5.10.1 Minimum Requirements for Qualifications and Experience

- The service provider shall provide demonstrable evidence of qualifications and experience of the operations personnel as per table below.
- Certified copies of the qualifications will be required by the *Service Manager* prior to site induction.

#	Designation	Qualification
1.	<b>Electrical Quality Inspector (All plant areas)</b>	<ul style="list-style-type: none"> <li>• National Diploma in Electrical Engineering (Heavy Current)</li> <li>• 5 years Heavy Industrial Experience of which a minimum of 3 years should be at a Power Station.</li> <li>• 3 Years Electrical QC Inspector</li> <li>• Must be able to review scopes, generate or review PQPs</li> <li>• Must be able to read engineering Drawings</li> <li>• Knowledge of NCR processes</li> <li>• Knowledge of ISO 9001:2015 standard</li> <li>• Conduct Quality Audits</li> <li>• Data book inspection and reviews</li> </ul>
2.	<b>Turbine and Valve Quality Inspector</b>	<ul style="list-style-type: none"> <li>• National Diploma in Mechanical Engineering</li> <li>• Trade test in fitting and machining</li> <li>• 5 years post apprenticeship Experience Of which 3 years should be power station experience. Must have 3 years Turbine and Generator inspection experience</li> <li>• 3 Years Quality Control experience in the overhauling of the turbine/generator</li> <li>• Have experience in the overhauling of the following pumps, valves (H.P &amp; I.P control valves, emergency stop valves), lube oil systems, oil pumps</li> <li>• Should have experience in pressure testing of equipment</li> <li>• Should be able to read Micrometers (inside &amp; outside Micrometers)</li> <li>• Should be able to work to very close tolerances of about(0.02mm)</li> <li>• Should be able to use a clock gauge/ dial test indicator</li> <li>• Should be able to check run outs on Shafts</li> <li>• Must be able to review scopes, generate or review PQPs</li> <li>• Must be able to read engineering Drawings</li> <li>• Must be competent in conditioning monitoring i.e. vibration analysis, tribology,</li> <li>• Must have knowledge of turbine maintenance philosophy</li> <li>• Knowledge of pneumatics and hydraulics</li> <li>• Knowledge of NCR processes</li> <li>• Knowledge of ISO 9001:2015 standard</li> <li>• Data book inspection and reviews</li> </ul>
3.	<b>Outside Plant and inside plant Mechanical Quality Inspector</b>	<ul style="list-style-type: none"> <li>• National Diploma in Mechanical Engineering</li> <li>• Trade test certificate in fitting and turning</li> <li>• 5 years post apprentice experience</li> <li>• 3 years specializing on rotating equipment e.g. pumps</li> </ul>

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		<ul style="list-style-type: none"> <li>• Must have 3 years mechanical</li> <li>• Quality inspection experience</li> <li>• Should be able to read Micrometers (inside &amp; outside Micrometers)</li> <li>• Should be able to work to very close tolerances of about (0.02mm)</li> <li>• Should be able to use a clock gauge/ dial test indicator</li> <li>• Should be able to check run outs</li> <li>• Must be able to verify laser alignment</li> <li>• Should be able to read engineering drawings</li> <li>• Knowledge of pneumatics and hydraulics</li> <li>• Knowledge of NCR processes</li> <li>• Knowledge of ISO 9001:2015 standard</li> <li>• Data book inspection and reviews.</li> </ul>
4.	<b>Welding Quality Inspector</b>	<ul style="list-style-type: none"> <li>• SAIW Welding and Fabrication inspector Level I and Level II</li> <li>• IIW International Welding Inspector</li> <li>• Comprehensive (IWI-C)</li> <li>• IIW International Welding Inspector Standard (IWI- S)</li> <li>• 5 years Heavy Industrial Experience of which 3 years at a Power Station</li> <li>• 3 Years Quality Control experience in welding</li> <li>• Knowledge of receiving and Inspections on all plates, pipes and tools components.</li> <li>• Experience and good knowledge of scope of work reviews.</li> <li>• Review of QCP's, Verification of Drawings and Materials.</li> <li>• Verification marking out of cut lines as per Engineering Instructions.</li> <li>• Verification of NOT reports and procedures.</li> <li>• Verification of consumables.</li> <li>• Witnessing of fit-ups, root runs and weld contour.</li> <li>• Verify welding procedures and welding qualifications.</li> <li>• Control of deviation through NCR procedures.</li> <li>• Final inspection data book reviews and release.</li> <li>• In depth knowledge of all welding standard, design, inspections and testing Codes</li> <li>• Specifications relevant to the Power Generation industry.</li> <li>• Witnessing of pressure and leak tests.</li> <li>• Red seal welding certificate is an added</li> <li>• Data book inspection and reviews</li> <li>• Knowledge of ISO 9001:2015 standard.</li> </ul>
5.	<b>Auxiliary Quality Inspector</b>	<ul style="list-style-type: none"> <li>• National Diploma in Mechanical Engineering</li> <li>• 5 years Heavy Industrial Experience of which 3 years at a Power Station</li> <li>• Engineering drawings interpretation</li> <li>• 3 years chemical and water plant experience</li> <li>• 3 years' experience in quality control</li> <li>• Knowledge of ISO 9001:2015 standard</li> </ul>

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		<ul style="list-style-type: none"> <li>• Cooling Water systems for Power plants</li> <li>• 3 years Condition monitoring experience</li> <li>• Plant and equipment alignment (clock gauge/laser)</li> <li>• Practical Machinery Vibration analysis &amp; Predictive Maintenance</li> <li>• 3 Years RBO experience</li> <li>• ASME -Setting of Standards</li> <li>• Pump maintenance</li> <li>• Gear box maintenance</li> <li>• 5 years knowledge in compressor maintenance</li> <li>• 5 years machine-shop experience with limits and fits</li> <li>• Knowledge of Boiler Plant Operation</li> <li>• Deming Water plant Operation</li> <li>• Fluid Catalytic Cracking Unit Operation</li> <li>• Data book inspection and reviews</li> </ul>
6.	<b>C&amp;I Quality Inspector: All Plant Areas</b>	<ul style="list-style-type: none"> <li>• National Diploma in Instrumentation Engineering (Light Current/C&amp;I)</li> <li>• 5 years Heavy Industrial Experience of which 3 years at a Power Station</li> <li>• 3 Years Quality Control experience</li> <li>• DCS/SCADA/PLC experience.</li> <li>• Commissioning and Decommissioning Experience</li> <li>• Knowledge of ISO 9001:2015 standard</li> <li>• Knowledge of pneumatics and hydraulics</li> <li>• Data book inspection and reviews</li> </ul>
7.	<b>Quality Supervisor</b>	<ul style="list-style-type: none"> <li>• National Diploma in Engineering/Quality</li> <li>• 5 years Heavy Industrial Experience of which 3 years at a Power Station, 2 years Supervisory Experience</li> <li>• 3 Years Quality Control/Assurance experience</li> <li>• Certificate of any Quality related courses</li> <li>• Knowledge of ISO 9001: 2015 quality management system</li> <li>• 2 Years Quality Auditing Experience</li> <li>• Sound knowledge of Eskom Business processes</li> <li>• Knowledge of safety and risk assessment</li> <li>• Root Cause Analysis</li> <li>• Failure mode effective analysis</li> <li>• Knowledge of supplier audits</li> <li>• Knowledge of deviation control through NCR procedure</li> <li>• Data Book inspection and review</li> </ul>
8	<b>Civil Quality Inspector</b>	<ul style="list-style-type: none"> <li>• National Diploma in Civil Engineering</li> <li>• 5 years Heavy Industrial Experience of which a minimum of 3 years should be at a Power Station.</li> <li>• Demonstrated experience across a broad range of Civil Engineering works, including road construction, structural works, dams, dredging, buildings, sewerage, and drainage systems.</li> <li>• 3 Years QC Inspector</li> </ul>

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		<ul style="list-style-type: none"> <li>• Must be able to review scopes, generate or review PQPs</li> <li>• Must be able to read engineering Drawings</li> <li>• Knowledge of NCR processes</li> <li>• Knowledge of ISO 9001:2015 standard</li> <li>• Conduct Quality Audits</li> <li>• Data book inspection and reviews</li> </ul>
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## 5.11 Tests and Inspections

### 5.11.1 Description of Tests and Inspections

#### 5.11.1.1 Co-ordination and Control of Quality Assurance Activities

The *Contractor*:

- Reviews and provide quality assurance on quality control plans considering high priority defects, production, targets, plant availability, planned and unplanned maintenance, staff, *Contractors*, and spares availability etc
- Approve "stop work" orders if quality and safety standards are compromised
- Control the close-out of quality deficiencies (NCRs) by reviewing and approving initiatives, proposals or corrective actions for improvements
- Review and provide quality assurance on QC processes by reviewing all documentation and system information and validate information to maintain accurate data.
- Identify potential project quality risks - assurance.
- Conduct quality audits
- Conduct effectiveness reviews on corrective actions

#### 5.11.1.2 Provision of Quality Assurance Services

##### 5.11.1.2.1 Physical inspections on Maintenance, Projects and Outage activities to ensure Quality Assurance

The *Contractor*:

- Perform inspections and determine if standards are met.
- Identify and report non-compliances.
- Recommend possible changes to maintenance standards or practices.
- Assess, monitor and report good and sub-standard work practices.
- Verify that documentation conform to requirements and standards by reviewing work packages, maintenance plans, procedures and modification packages according to the relevant administrative controls, identify and report non-conformances.
- Inspection reports are used to document the condition of the plant, assets and communicate findings.
- Address identified issues promptly and ensure that necessary repair/steps or adjustments are completed.
- Follow up on any plant related issues/problems/repairs with the proper documentation.

##### 5.11.1.2.2 Professional advice and leadership on Quality Assurance issues

- The *Contractor* advises and provide leadership on all Quality Assurance related issues.



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#### **5.11.1.2.3 Electrical Quality Assurance verifications (all plant areas)**

- Generator inspections and tests
- HV and LV transformers inspections and tests
- HV and LV motors inspections and tests
- HV and LV electric cables inspections and tests
- Generator Circuit Breakers inspections and tests
- Protection Tests
- Switchgear inspections and tests
- Boards Maintenance
- Isolated Phase Bus bars and Bus Ducts inspections
- Lighting and small power Installations inspections and tests
- Hydrogen plant systems inspections and tests
- Electrostatic Precipitator plant inspections and tests
- DC Plant inspections and tests
- Conduct root cause failure analysis and subsequent postmortem
- Conduct inspection on the refurbishment of all electrical plant equipment
- Conduct Audits

#### **5.11.1.2.4 Turbine Quality Assurance verifications (all plant areas)**

- Valves
- Condensate drains cooler
- LP and HP safety valves pressure testing
- LP and HP heater valves
- Feed water valves
- Auxiliary steam range valves (steam valves, safety valves, steam air injectors, including the main range isolating valves)
- Audits
- Scope reviews
- Incident investigations
- Challenge schedules
- QCP review and approval

#### **5.11.1.2.5 Outside Plant/ Inside Plant Mechanical Quality Assurance verifications / Boiler Plant (all plant areas)**

- ASH and Dust plant
- Slurry Plant
- Air Heaters
- FD, PA and ID fans
- S03 plant (bag filter plant)
- Mills, feeders and dampers
- Pumps
- HP bypass valves (spray water and main valves) and hydraulic control systems
- Valves - LP and HP
- Precipitators
- Conducts Audits
- Stores receiving inspections
- Conveyors (Ash, CSY, ash disposal and Coal)
- Submersible Scraper Conveyor
- Soot Blower System – lances, poppet valves, Sootblowers valve station, drain lines, supply lines
- Turbine leg drains NRV's, hand isolating and hand regulating valves
- Boiler vents and drains (0m level, 3m level, 16m level and 57 m level)
- 50% Drains – Isolating and Regulating (including bypass valves)
- Boiler main steam stop valves (including bypass valves)

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- Auxiliary steam range
- Circ system pump, cooler and valves
- Spray water system (Superheaters and Re-heaters)
- Air heater washing tanks and control valve systems
- Brine Concentration Pant
- Pressure Parts
- HP Pipework
- PF Burners
- Fuel Oil/Oil Burners
- SSC
- Blow Down Vessel & connecting pipework
- Sump & Trenches
- Dirty and Clean Water Dams.
- All Civil related work (Road works, structures, dams, dredging, buildings, sewerage, drainage system)
- Demin storage tank and Deaerator, steam valves and safety valves

#### **5.11.1.2.6 Welding Quality Assurance verifications (all plant areas)**

All welding – pressure parts:

- Fuel oil Burners
- Precipitators (Welding)
- Mills
- Dampers
- Valves (as per *Employer's* scope of work)
- Audits
- Stores Inspection
- Internal and External Evaluations on *Contractors* (Due Diligence).
- Safety file review
- Material identifications (Positive Material Identification)

#### **5.11.1.2.7 Auxiliary Quality Assurance verifications (all plant areas)**

- Valves on CPPs and air ejectors
- LP and HP safety valves pressure testing
- LP and HP heaters valves
- Feed water valves
- LP Demin tanks
- Air receiver and safety valves pressure testing
- Compressors
- De-aerator Tank pressure test and valves
- Feed water tank valves.
- Station pressure vessel valves
- Statutory inspections on all safety valves
- Coal Plant
- Conveyor belt
- Coal Stockyard all systems
- Re-heaters spray water valves
- Chemical services all mechanical equipment, pumps valves and pipes)
- Lime plant all systems
- CW system (CW on mills, lube oils, fans, motor coolers, SSC make ups, circ pump cooler)
- Tutuka Aerodrome
- All Water Reservoirs
- Cooling towers
- Cranes
- Ash Plant and ash disposal all systems

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#### 5.11.1.2.8 Control and Instrumentation (C&I) Quality Assurance verifications (all plant areas)

- Calibrations and calibration standards
- Instrumentations
- Boiler, Turbine and Outside plant protections
- Boiler, Turbine and Outside plant controllers
- Plant actuators and control valves stroking
- Control and Instrumentation plant projects and refurbishments
- Cold and hot commissioning
- Inspection of spares and materials before entry to spares
- Review of QCP / ITPs
- Review of procedures and maintenance plans
- Incident investigations and root cause analysis
- Evaluation of tender quality returnable
- Fire Detection system
- Actuators – stroke check
- Conduct Audits

#### 5.11.2 Materials facilities and samples for tests and inspections

- a) As per Clause 40.2. The *Contractor* and the *Employer* provide materials, facilities and samples for tests and inspections.
- b) QC check sheets

## 6 List of drawings

### 6.1 Drawings issued by the *Employer*

- a) All relevant drawings can be obtained from the *Service Manager* and will be available on request.

## 7 Appendix A: Low Service Damages Table

Item	Description of Task	Quality of Performance	Reason for Damages	Damages to be Implemented
Standby response time	Call outs	Contractor to be onsite within 2 hours after call-out was logged	Cost and long breakdown hours	1% of the Task Order value per call-out, capped at 10% of the total Prices of the Task Order.
Time management	Late coming	30 Minutes after	cost	1% of the Task Order value per call-out, capped at 10% of the total Prices of the Task Order.
Monthly Quality report	Submission of report	No submission	cost	1% of the task order value per monthly report, capped at 10% of the total Prices of the Task Order.
Non conformances	Performance	Failing to perform duties required by Employer according to contractual requirements	cost	1% of the Task Order value per call-out, capped at 10% of the total Prices of the Task Order.