

# NEC3 Term Service Contract (TSC3)

Between **ESKOM ROTEK INDUSTRIES SOC Ltd**  
(Reg. No. 1990/006897/30)

And **???**  
(Reg. No. ???)

for **REPAIRS, SUPPLY OF SPARES, SERVICES,  
REPLACEMENT OF AIR CONS AT ALL TGS SITES  
FOR A PERIOD OF FIVE (5) YEARS ON AN AS AND  
WHEN REQUIRED BASIS.**

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**Contents:**

<b>Part C1</b>	<b>Agreements &amp; Contract Data</b>
<b>Part C2</b>	<b>Pricing Data</b>
<b>Part C3</b>	<b>Scope of Work</b>

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**CONTRACT No.** .....

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**Documentation prepared by:**

<b>Eskom Rotek Industries SOC Limited Procurement Heritage Office Park Lower Germiston Road Rosherville Tel: 011 629 4546</b>
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## **PART C1:      AGREEMENTS & CONTRACT DATA**

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# 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:

**REPAIRS, SUPPLY OF SPARES, SERVICES, REPLACEMENT OF AIR CONS AT ALL TGS SITES FOR A PERIOD OF FIVE (5) YEARS ON AN AS AND WHEN REQUIRED BASIS.**

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

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

Options A	The offered total of the Prices exclusive of VAT is	<b>Fixed Price</b>
	Value Added Tax @ 15% is	<b>Fixed Price</b>
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	<b>Fixed Price</b>
	<b>Estimated Cost - Including VAT.</b> <b>This is a fixed rate and variable cost based contract</b> <b>The approved budget is allocated for a term of 3 years from date of signature</b>	

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) \_\_\_\_\_ Nhlakanipho Blose

Capacity \_\_\_\_\_ Maintenance Service Manager  
Turbo Gen Services

**For the tenderer:** \_\_\_\_\_ Eskom Rotek Industries SOC Ltd  
Lower Germiston Road  
Cleveland, Johannesburg, 2022

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

Date \_\_\_\_\_

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

## Acceptance

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

The terms of the contract, are contained in:

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

and drawings and documents (or parts thereof), which may be incorporated by reference into the above listed Parts.

Deviations from and amendments to the documents listed in the Tender Data and any addenda thereto listed in the Returnable Schedules as well as any changes to the terms of the Offer agreed by the tenderer and the Employer during this process of offer and acceptance, are contained in the Schedule of Deviations attached to and forming part of this Form of Offer and Acceptance. No amendments to or deviations from said documents are valid unless contained in this Schedule.

The tenderer shall within two weeks of receiving a completed copy of this agreement, including the Schedule of Deviations (if any), contact the Employer's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

Notwithstanding anything contained herein, this agreement comes into effect on the date when the tenderer receives one fully completed and signed original copy of this document, including the Schedule of Deviations (if any).

Signature(s)

Name(s)

Nhlakanipho Blose

Capacity

Maintenance Service Manager  
Turbo Gen Services

**for the  
Employer**

Eskom Rotek Industries SOC Ltd  
Lower Germiston Road  
Cleveland, Johannesburg, 2022

Name &  
signature  
of witness

Date

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

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

Note:

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

No.	Subject	Details
1		<b>Not applicable.</b>
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	Nhlakanipho Blose
Capacity	Maintenance Service Manager Turbo Gen Services
On behalf of	Eskom Rotek Industries SOC Ltd. Lower Germiston Road Cleveland, Johannesburg, 2022
Name & signature of witness	
Date	

# C1.2 TSC3 Contract Data

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

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option:	
	dispute resolution Option	<b>A: Priced contract with price list</b> <b>W1: Dispute resolution procedure</b>
	and secondary Options	<b>X1: Price adjustment for inflation</b> <b>X2: Changes in the law</b> <b>X19 Task Order</b> <b>Z: Additional conditions of contract</b>
10.1	of the NEC3 Term Service Contract April 2013 <sup>2</sup> (TSC3)	
	The <i>Employer</i> is (name):	<b>Eskom Rotek Industries SOC Ltd (Reg no: 1990/006897/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa</b>
	Address	<b>Roshland Office Park Lower Germiston Road Rosherville</b>
	Tel No.	<b>011 629 4295</b>
10.1	The <i>Service Manager</i> is (name):	<b>Nhlakanipho Blose</b>
	Address	<b>ERI TGS – Maintenance</b>
	Tel	<b>+27 11 621 4000</b>
	e-mail	<a href="mailto:BloseNG@eskom.co.za"><b>BloseNG@eskom.co.za</b></a>
11.2(13)	The Affected Property is	<b>All Air Conditioning Equipment at TGS Sites</b>
11.2(14)	The <i>service</i> is	<b>Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a</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)

		period of five (5) years on an as and when required basis.
11.2(15)	The following matters will be included in the Risk Register	<b>Not applicable.</b>
12.2	The Service Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference</b>
13.1	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>
13.3	The <i>language of this contract</i> is	<b>English</b>
2	The <i>period for reply</i> is	<b>One (1) week</b>
<b>21.1</b>	<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
3	The <i>Contractor</i> submits a first plan for acceptance within	<b>One week of the Contract Date</b>
<b>30.1</b>	<b>Time</b>	
30.1	The <i>starting date</i> is.	<b>Date of Signature of contract Each Task Order will indicate the start date applicable to that SOW as defined in the individual Task Order</b>
4	The <i>service period</i> is	<b>3 years from date of signature</b>
5	<b>Testing and defects</b>	
<b>50.1</b>	<b>Payment</b>	.
51.1	The <i>assessment interval</i> is	<b>As stated on each individual Task Order</b>
51.2	The <i>currency of this contract</i> is the	<b>Rand</b>
51.4	The period within which payments are made is	<b>Within 30 days of receipt of the Contractor's tax compliant invoice.</b>
6	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 dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rand.</b>
7	<b>Compensation events</b>	<b>Refer to each individual Task Order.</b>
8	<b>Use of Equipment Plant and Materials</b>	

<b>80.1</b>	<b>Risks and insurance</b>	
	These are additional <i>Employer's</i> risks	<b>There are no additional Employer's risks.</b>
83.1		<b>as stated for "Format TSC3" available on <a href="http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx">http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</a> (See Annexure A for basic guidance).</b>
83.1	The <i>Employer</i> provides these insurances from the Insurance Table	<b>as stated for "Format TSC3" available on <a href="http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx">http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</a> (See Annexure A for basic guidance)</b>
83.1	The <i>Employer</i> provides these additional insurances	<b>Not applicable.</b>
83.1	The <i>Contractor</i> provides these additional insurances:	<b>the amount of the deductibles relevant to the event described in the "Format TSC3" insurance policy available on <a href="http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx">http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx</a></b>
83.1	The minimum amount of cover for insurance against loss and damage caused by the <i>Contractor</i> to the <i>Employer's</i> property is	<b>Whatever the <i>employer</i> deems necessary.</b>
83.1	The insurance against loss of or damage to the <i>works</i> , Plant and Materials is to include cover for Plant and Materials provided by the <i>Employer</i> for an amount of	<b>Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i>.</b>
83.1	The minimum amount of cover for insurance in respect of 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 for any one event is:	<b>As prescribed by the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993 and the <i>Contractor's</i> common law liability for people falling outside the scope of the Act with a limit of Indemnity of not less than R500 000 (Five hundred thousand Rand).</b>
	The minimum limit of indemnity for insurance in respect of death of or bodily injury to employees of the <i>Contractor</i> arising out of and in the course of their employment in connection with this contract for any one event is:	<b>As per that required by the Law.</b>
<b>9</b>	<b>Termination</b>	<b>As per NEC 3 defined terms</b>
<b>A</b>	<b>Data for main Option clause</b>	
20.5	<b>Priced contract with price list</b>	

The *Contractor* prepares forecasts of the final total of the Prices for the whole of the *service* at intervals no longer than **30 days after signing of the contract**

**W1.1 Data for Option W1**

the person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see [www.ice-sa.org.za](http://www.ice-sa.org.za)). If the Parties do not agree on an Adjudicator

The *Adjudicator*

the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See [www.jointcivils.co.za](http://www.jointcivils.co.za))

Address

Johannesburg, South Africa

W1.2(3) e-mail

the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see [www.ice-sa.org.za](http://www.ice-sa.org.za)) or its successor body.

W1.4(2) The *Adjudicator nominating body* is:

the Chairman of the Joint Civils Division of the South African Institution of Civil Engineering. (See [www.jointcivils.co.za](http://www.jointcivils.co.za))

W1.4(5) The *tribunal* is:

arbitration

The *arbitration procedure* 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

the Chairman for the time being or his nominee of the Association of Arbitrators (Southern Africa) or its successor body.

12 The person or organisation who will choose an arbitrator  
- if the Parties cannot agree a choice or  
- if the arbitration procedure does not state who selects an arbitrator, is

**X1 Data for secondary Option clauses**

X1.1 Price adjustment for inflation

The *base date* for indices is

One month prior to the Contract Date

The proportions used to calculate the Price Adjustment Factor are:

Refer to: S. E. I. F. S. A. Table C3, all hourly paid employees.

**X2 Changes in the law**

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The **additional conditions of contract** are **Z1 to Z11 always apply.**

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**Z1**

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**Z1.1 Cession delegation and assignment**

Z1.2 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.

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**

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**Z2.1 Joint ventures**

**Not applicable**

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**Z3**

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**Z3.1 Change of Broad Based Black Economic Empowerment (B-BBEE) status**

Z3.2 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.

Z3.3 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*.

Z3.4 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.

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.

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**Z4**

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**Z4.1 Ethics**

Z4.2 Any offer, payment, consideration, or benefit of any kind made by the *Contractor*, which constitutes or could be construed either directly or indirectly as an illegal or corrupt practice, as an inducement or reward for the award or in execution of this contract constitutes grounds for terminating the *Contractor's* obligation to Provide the Service or taking any other action as appropriate against the *Contractor* (including civil or criminal action).

Z4.3 The *Employer* may terminate the *Contractor's* obligation to Provide the Service if the *Contractor* (or any member of the *Contractor* where the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations) is found guilty by a competent court, administrative or regulatory body of participating in illegal or corrupt practices.

Such practices include making of offers, payments, considerations, or benefits of any kind or otherwise, whether in connection with any procurement process or contract with the *Employer* or other people or organisations and including in circumstances where the *Contractor* or any such

member is removed from the an approved vendor data base of the *Employer* as a consequence of such practice.

Notwithstanding the provisions of core clause 90.2, the procedures on termination in terms of this clause are P1, P2 and P4 as stated in the core clause 92 and the amount due is A1 and A3 as stated in core clause 93.

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## Z5

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### Z5.1 **Confidentiality**

Z5.2 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.

Z5.3 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*.

Z5.4 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.

Z5.5 The taking of images (whether photographs, video footage or otherwise) of the Affected Property or any portion thereof, in the course of Providing the Service and after the end of the *service period*, requires the prior written consent of the *Service Manager*. All rights in and to all such images vests exclusively in the *Employer*.

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

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## Z6

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### Z6.1 **Waiver and estoppel: Add to core clause 12.3:**

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.

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## Z7

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### Z7.1 **Health, safety and the environment: Add to core clause 27.4**

Z7.2 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.

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.

**Z8**

**Z8.1 Provision of a Tax Invoice and interest. Add to core clause 51**

Z8.2 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.

Z8.3 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.

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 4330196330 on each invoice he submits for payment.

**Z9**

**Z9.1 Notifying compensation events**

Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

**Z10**

**Z10.1 Employer's limitation of liability**

Z10.2 The *Employer's* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand)

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.

**Z11**

**Z11.1 Termination:**

Z11.2 Add to core clause 91.1, at the second main bullet point, fourth sub-bullet point, after the words "against it":

**Z12**

**Z12.1 Contractor's Obligation**

Z12.2 The *Contractor's* obligation is to use skill and care normally used by professionals providing the services as detailed in the Works Information.

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**Z13**

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**Z13.1 Estimated Price**

Z13.2 The Contract is rates based and these rates will form the base rates for the duration of the contract

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## **Annexure A: Insurance provided by the Employer**

*These notes are provided as guidance to tendering contractors and the Contractor about the insurance provided by the Employer. The Contractor must obtain its own advice. Details of the insurance itself are available from the internet web link given below.*

1. Services provided in a TSC3 contract could include some element of construction or refurbishment as well as a continuous maintenance or operational service activity. If an event occurs which causes loss or damage, a claim could be made either against the *Employer's* "works" type policy which may be in place for the *Employer's* portion of the Affected Property concerned or against the *Employer's* assets policy which may be in place for the *Employer's* portion of the Affected Property concerned, or both.
2. The cover provided and the deductibles under the works policy are different to those under the assets policy. Each policy has a range of applicable deductibles depending on the location of the Affected Property and the nature of the insurable event.
3. The *Contractor* is required in terms of Contract Data for clause 83 to provide cover for the deductibles in the insurance provided by the *Employer*. This can be provided from his own resources on a 'self insured' basis or obtained by him from his own insurers. In order to assess the extent of this cover, tendering contractors and their brokers should consult the internet web link given below and scroll to '**Format TSC3**' to establish both the cover and the deductibles in relation to the *service* provided in terms of this contract.
4. Tendering contractors should note that cover provided by the *Employer* is only per the policies available on the internet web link listed below and may not be the cover required by the tendering contractor or as intended by each of the listed insurances in the left hand column of the Insurance Table in clause 83.2. In terms of clause 83.1 "the *Contractor* provides the insurances stated in the Insurance Table except any insurance which the *Employer* is to provide". Hence the *Contractor* provides insurance which the *Employer* does not provide and in cases where the *Employer* does provide insurance the *Contractor* insures for the difference between what the Insurance Table requires and what the *Employer* provides.
5. If Marine Insurance is required the *Contractor* needs to obtain a copy of the latest edition of Eskom's Marine Policies Procedures found at internet website given below.
6. Further information and full details of all Eskom provided policies and procedures may be obtained from:

[http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS\\_Policies\\_From\\_1\\_April\\_2014\\_To\\_31\\_March\\_2015.aspx](http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx)

# C1.2 Contract Data

## Part two - Data provided by the Contractor

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	<b>Not applicable.</b>  <b>Not applicable.</b>
11.2(14)	The following matters will be included in the Risk Register	<b>Not applicable.</b>
11.2(15)	The Service Information for the <i>Contractor's</i> plan is in:	<b>Refer to each individual Task Order.</b>
21.1	The plan identified in the Contract Data is contained in:	<b>Refer to each individual Task Order.</b>
24.1	The key people are:  1 Name:  Job:  Responsibilities:  2 Name:  Job:  Responsibilities:	??? ???
<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 ??? (excl. VAT ) ( excluding VAT) Fixed Price Contract</b>

**Part 2: Pricing Data**

CONTRACT NUMBER:

**TSC3 Option A**

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

## C2.1 Pricing assumptions: Option A

### How work is priced and assessed for payment

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

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

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

### Function of the Price List

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

### Link to the *Contractor’s* plan

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

### Preparing the *price list*

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

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

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

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

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

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

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

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

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

## C2.2 the *price list*

ITEM	Description	Rate
1	Normal rates per hour	
2	Overtime rates per hour (Monday to Saturday)	
3	Overtime rates per hour (Sunday)	
4	Call out fees Normal Rate	
5	Call out fees overtime rate (Monday to Saturday)	
6	Call out fees Overtime rate (Sunday)	
7	Call out fees Overtime rate (Public Holidays)	

ITEM	Description	Rate
1	Service Rate – 0 – 6000BTU	
2	Service Rate – 6001 – 12000BTU	
3	Service Rate – 12001 – 21000BTU	
4	Service Rate – 21001 – and higher	
5	New Supply Mark-up (%age) from OEM Price	
6		
7		

**Total: Fixed Price**

## C2.3 Description of the *service*

### 1.1 Executive overview

The purpose of this document is to define the services needed from a contractor for provision of Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a period of five (5) years on an as and when required basis.

### 1. CONTEXT FOR MAINTENANCE OF MACHINES

ERI TGS Operates a number of facilities within the TGS Works and Eskom Power Stations. These facilities require period maintenance. Air Cons are part of the appliances that require periodic maintenance.

### 2. Scope of Work

This document covers the This scope makes provision for the Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a period of five (5) years on an as and when required basis. The OEM's requirements are the minimum standards to be met by the maintenance and/or service to be rendered.

#### 2.1 Purpose

The aim The aim of this document is to define the scope of work for the Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a period of five (5) years on an as and when required basis.

#### 2.2 Applicability

This document shall apply throughout Eskom Rotek Industries SOC LTD TGS Air Conditioning Equipment..

### 2.2 NORMATIVE/INFORMATIVE REFERENCES

Parties using this document shall apply the most recent edition of the documents listed in the following paragraphs.

#### 2.2.1 Normative

Parties using this document shall apply the most recent edition of the standards for best practices and in line with Eskom specifications that are indicated in this document.

- [1] SANS 1973-1 - Low-voltage switchgear and control gear ASSEMBLIES Part 1: Type-tested ASSEMBLIES with stated deviations and a rated short-circuit withstand strength above 10 kA
- [2] SANS 1973-3 - Low-voltage switchgear and control gear ASSEMBLIES Part 3: Safety of ASSEMBLIES with a rated prospective short-circuit current of up to and including 10 kA
- [3] SANS 10142 - 1 - The wiring of premises Part 1: Low-voltage installations
- [4] SANS 10142 - 2 - The wiring of premises Part 2: Medium-voltage installations above 1 kV a.c. not exceeding 22kV A.C. and up to and including 3 MVA installed capacity.
- [5] SANS 12100 - Safety of Machinery.

#### 2.2.2 Informative

Parties using this document shall apply and have knowledge of the most recent edition of the standards as listed below.

- [6] ISO 9001 - Quality Management Systems.
- [7] ISO 14001 – Effective Environmental Management System
- [8] OHSAS 18001 – Occupational Health and Safety Standards
- [9] OHS Act 85 of 1993, specifically: General Machinery Regulation (GMR), Electrical Installation Regulations (EIR), Electrical Machinery Regulations (EMR) and Driven Machinery Regulations (DMR)

**2.3 DEFINITIONS**

Definition	Description
ERI	Eskom Rotek Industries SOC LTD, the Client
TGS	Turbo Gen Service, an ERI Business Unit
Plant Maintenance	A TGS Department responsible for maintenance effectiveness and control.

**2.3.1 Disclosure Classification**

Controlled disclosure: controlled disclosure to external parties (either enforced by law, or discretionary).

**2.4 ABBREVIATIONS**

The following are abbreviations and their descriptions are specific to this document.

Abbreviation	Description
RPM	Revolutions Per Minute (speed)
PM	Preventative Maintenance
CM	Corrective Maintenance
PdM	Predictive Maintenance
CMMS	Computerized Maintenance Management System

**2.5 ROLES AND RESPONSIBILITIES**

Contractor – To execute the work as per the agreed scope

Client – To give access to the contractor and to manage the contract as per the terms of the contract

**2.6 PROCESS FOR MONITORING**

Computerized Management Process (SAP) will be used for the management and monitoring of the execution progress

**2.7 RELATED/SUPPORTING DOCUMENTS**

- TBC

**3. EXECUTION SCOPE OF WORK**

**3.1 BACKGROUND**

TGS have a number of Sites where is operates. These sites have facilities which have air conditioners on them. The air cons require periodic services and/or maintenance in order to keep them operational. This is necessary for both compliance and health related issues and the air cons affect the air movements within these facilities.

### 3.2 SITE INFORMATION

The scope entails works to be executed at Eskom Rotek Industries SOC LTD located at 03 Lower Germiston Road on Roshland Road, Rosherville, Cleveland, Johannesburg South and all other TGS Sites.

### 3.3 PLANT DESCRIPTION

TBC – All Air Conditioning Systems within ERI TGS.

### 3.4 DETAILS OF THE WORKS

The specific tasks to be conducted are detailed below. The detailed tasks are the bare minimum and binding as the minimum contractual agreement between the Client and the Service Provider. OEM requirements that may, or may not, be different from the detailed scope will be considered as and when it may arise. Upon any realization of such, the Service Provider and the Client's Representative will agree on the most effective, feasible and cost effect manner to proceed.

The full scope is for the Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a period of five (5) years on an as and when required basis. All OEM and Client's safety procedures must be adhered to. The supplied equipment must have a written warranty document clearly indicating the inclusion and exclusion of the warranty and the duration (start and end date of the warranty). No, aftermarket or other brands are acceptable.

### 3.5 DELIVERABLES

The service provider shall execute work related to the Repairs, Supply of Spares, Services, Replacement of Air Cons at All TGS Sites for a period of five (5) years on an as and when required basis.

System	Report Content
Housekeeping	The initial housekeeping prior to the execution of the task and the resulting housekeeping condition after the execution of the task
Machine condition	The condition of the machines prior to starting the task and the condition of the machine after the task has been completed
Lock-out facility	The condition of the lockout system to ensure the safety of both the Service Provider and the Client's personnel
Out-of-Normal Condition	The identification of any out of normal condition on the machine, both prior and post servicing and maintenance execution
Electrical System	The condition of the electrical system of the machine
Environmental Condition	Identification of any environmental contravention, <i>if any</i> , in relation to, <i>but not limited</i> , the drip tray conditions, oil or grease leaks, etc.

Cooperation Between Service Provider and the Client	Ease of access to the machine and cooperation by the Client's personnel for the execution of the task.
Parts and Consumables	Details of all parts and consumables used
Duration	The duration of the task from start to finish
Machine Specification	The details of the machine maintained which shall include the name, serial number, asset number, design specs and data of the machine.
Recommendations	Any recommendations outside of the contractual agreement of the execution contract of this scope of work.
Service Report	Detailed service report of all work done and list of all replacement parts used.

### 3.6 ASSESSMENT CRITERIA

3.6.1 Upon completion of the task, the Service Provider shall ensure that a Client's Representative, to be identified as and when required, inspects and signs off the work executed prior to the acceptance of the work as complete in accordance with the contract by the Client's Representative. The Servicer Provider shall ensure that all records are provided to the Client..

### 3.7 WARRANTY

The work performed is warranted to be free from defects in material and workmanship from date of completion to the following periods. The warranty shall cover:

3.7.1 New electrical and Mechanical parts as stipulated by OEM.

3.7.2 Workmanship for 6 Months after acceptance of work by the Client

3.7.3 The product must be used in accordance with manufacturer's recommendations and must not have been subject to abuse, lack of maintenance, misuse, negligence, or unauthorized repairs or alterations. Should any defect in material or workmanship occur during the above time period in any product, as determined by the supplier inspection of the product, the Service Provider, agrees, at its discretion either to replace (not including installation) or repair the part or product free of charge.

3.7.4. The inclusions and exclusions on the warranty must be clearly indicated

3.7.5. The start and end date of the warranty must be clearly indicated.

### 3.8 GENERAL CONSTRAINTS

The following are the general constraints that are to be considered:

3.8.1 Working in an operational environment where machines and equipment are being handled.

3.8.2 Minimizing down periods as production will still be taking place in and around the vicinity of the working area.

3.8.3 Accuracy of existing information may be outdated and need to be verified on site prior to proceeding with any work.

3.8.4 The works will be executed at different sites, therefore the Service Provider shall take this into consideration..

### 3.9 TERMS AND CONDITIONS

The successful Service Provider will be expected to adhere to the following minimum conditions:

- a) Adherence and compliance to the health and safety standards set out by the Client.
- b) Provide adequate PPE to its employees.
- c) Provide its own working and fully functional tools.
- d) Fully sign and complete the completion and handover form.
- e) Issue the service report for the work done and fully signed by the responsible Technician or Supervisor.
- f) Provide valid identification and medicals for the personnel who would be work.
- g) Hand over the replacement (parts removed from the machine) parts to the Client..

## 1.2 The Contractor's plan for the service

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

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

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

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

Refer to each individual Task Order.

## 1.3 Management meetings

The *conditions of contract* (e.g. Clause 16.2) and other sections of the Service Information (e.g. safety risk management) may require that a meeting shall be held. However the intention of all NEC contracts is that the Parties and their agents use the techniques of partnering to manage the contract by holding meetings designed to proactively and jointly manage the administration of the contract with the objective of minimising the adverse effects of risks and surprises for both Parties.

Depending on the size and complexity of the *service*, it is probably beneficial for the *Service Manager* to hold a weekly risk register meeting (Clause 16.2). This could be used to discuss safety, compensation events, subcontracting, overall co-ordination and other matters of a general nature. Separate meetings for specialist activities such as planning and activities of a technical nature may also be warranted.

Describe here the general meetings and their purpose. Provide particulars of approximate times, days, location, and attendance requirements, stipulating that attendees shall have the necessary delegated authority to make decisions in respect of matters discussed at such meetings.

The following text could be used as a model for this section:

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Risk register and compensation events	Weekly on _____ at ____		
Overall contract progress and feedback	Monthly on ____ at ____		<i>Employer, Contractor and ____</i>

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.

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

State any additional constraining requirements on *Contractor's* supervision and key people that are not already stated in other sections such as for Health and Safety. This section could be used to solicit an organogramme from the *Contractor* showing his people and their lines of authority / communication. This would be essential if the *Contractor* is a Joint Venture.

#### **1.5 Provision of bonds and guarantees**

Not applicable

#### **1.6 Documentation control**

The *Contractor* must comply to the relevant ISO standards.

#### **1.7 Invoicing and payment**

The Z clauses make reference to invoicing procedures stated here in this Service Information. Also include a list of information which is to be shown on an invoice.

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

The *Contractor* shall address the tax invoice to [invoicserilocal86@eskom.co.za](mailto:invoicserilocal86@eskom.co.za) or [invoicserilocal85@eskom.co.za](mailto:invoicserilocal85@eskom.co.za)

and include on each invoice the following information:

- Name and address of the *Contractor* and the *Service Manager*;
- The contract number and title;
- *Contractor's* VAT registration number;
- The *Employer's* VAT registration number 4330196330;
- Description of service provided for each item invoiced based on the Price List;
- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT;
- (add other as required)

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

#### **1.8 Contract change management**

Not applicable.

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

Not applicable.

### **1.10 Insurance provided by the Employer**

First read TSC3 Core Clause 86.1 and then add anything necessary for the management of insurance related issues such as a cross reference to where procedures for making claims can be found. Also provide contact details for persons capable of being able to answer any insurance related queries the Contractor may have, as well as to whom the information required by Marine Insurance (if any) may be addressed.

### **1.11 Training workshops and technology transfer**

Not applicable.

### **1.12 Design and supply of Equipment**

To be provided by the Contractor

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

Not Applicable

### **1.14 Management of work done by Task Order**

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

### **2.1 Health and safety risk management**

The Contractor to comply with all criteria and constraints as required by law.

### **2.2 Environmental constraints and management**

The Contractor shall comply with the environmental criteria and constraints as required by law

### **2.3 Quality assurance requirements**

The Contractor's in house policies and procedures to be adhered to.

## **3 Procurement**

All spare parts and consumables are to be supplied under this contract

 <b>Eskom</b> Rotek Industries		<h2>Task Order</h2> <p>for use with NEC3 Term Service Contract</p>	
		<b>Department:</b> Plant Maintenance	
Contract No: <b>46</b> _____		Task Order No: <b>45</b> _____	
<b>Part One: Data provided by the Employer</b>			
	<i>Employer's postal address:</i>	<i>Employer's representative :</i>	
	<b>Eskom Rotek Industries SOC Ltd.</b>	Name	<b>Sinqobile Nene</b>
	<b>Turbo Gen Services</b>	Tel	<b>011 621 3179</b>
	<b>P. O. Box 40099</b>	Fax	
	<b>Cleveland</b>	Cell	<b>082 355 9347</b>
	<b>2022</b>	E-mail	<a href="mailto:NeneSW@eskom.co.za">NeneSW@eskom.co.za</a>
<b>Detailed description of the work in the Task</b>			
<b>Services and other things provided by the Employer</b>			
Starting date:		Task Completion Date:	
Delay damages:			
The period of reply to a communication for this Task Order is:	2 working days	The <i>Contractor</i> submits a revised programme for this Task Order every	
<b>Contractor's representative :</b>		<b>Employer's representative :</b>	
Signature:_____		Signature:_____	

<b>Part Two: Data provided by the Contractor</b>			
	<i>Contractor's postal address:</i>	<i>Contractor's representative :</i>	
		Name	
		Tel	
		Fax	
		Cell	
		E-mail	
<b>Additional compensation events</b>			
Any other activities not covered by this Task Order Any extension to the planned completion Date. Any delays to the program caused by other contractors.			
<b>Additional data</b>			
<b>Assessment schedule (Part 1. 50.1)</b>			
The full value of this task order will be invoiced upon completion.			
<b><i>Contractor's representative :</i></b>		<b><i>Employer's representative :</i></b>	
Signature: _____		Signature: _____	

Price List						
Item nr.	Description	Unit	Qty	Unit price	Subtotal	Total Price
<b>Total of the Prices for this Task Order</b>						
<b>Total of the Prices for this Task Order (in words):</b>						
<b>All Prices in this Task Order exclude VAT</b>						
<b>The above prices are valid for 30 days from the date of the <i>Contractors</i> signature below</b>						
<b>Contractor's Delegated Authority:</b>				<b>Employer's Delegated Authority:</b>		
Signature: _____				Signature: _____		
Name: (Print) _____				Name: (Print) _____		
Date: _____				Date: _____		