

Construction of 66kV-132kV Sub Transmission (HV) Lines in the Gemma Cluster including Northern Cape Operating Unit and North West Operating Unit on an as and when required basis for a period of 48 months /4 years



NEC3 Engineering & Construction Contract

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

and

for **Construction of 66kV-132kV Sub Transmission (HV) lines in the Gemma Cluster including Northern Cape Operating Unit and North West Operating Unit on an as and when required basis for a period of 48 months /4 years**

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CONTRACT No. :

Documentation prepared by:

CONTRACTS MANAGEMENT (GEMMA CLUSTER)

Construction of 66kV-132kV Sub Transmission (HV) Lines in the Gemma Cluster including Northern Cape Operating Unit and North West Operating Unit on an as and when required basis for a period of 48 months /4 years

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:

Construction of 66kV-132kV Sub Transmission (HV) Lines in the Gemma Cluster including Northern Cape Operating Unit and North West Operating Unit on an as and when required basis for a period of 48 months /4 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.

Option B	The offered total of the Prices exclusive of VAT is	Rate based Contract/ as per task order
	Value Added Tax @ 15% is	Rate based Contract/ as per task order
	The offered total of the amount due inclusive of VAT is ¹	Rate based Contract/ as per task order²
	(Excluding VAT).	

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

Signature(s)

Name(s) _____

Capacity _____

For the tenderer:

Name & signature of witness

Date

Tenderer's CIDB registration number (if applicable)

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

² The term 'Rate based Contract' refers to the application, on an 'as-and-when-required' basis, of the *conditions of contract* and information indicated and provided in the Contract Data (and as further defined and found in the Project Specific Agreement), and applying the rates indicated in the Pricing Data for the scope of works in the Project Specific Agreement.

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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

*Eskom Holdings SOC Ltd, Megawatt Park,
Maxwell Drive, Sandton, Johannesburg,
2199*

Name & signature of witness

Annelize Kruger

Date

.....

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C1.2 ECC3 Contract Data

Part one - Data⁴ provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
		B: Priced contract with bill of quantities
	Dispute resolution Option and Secondary Options	W1: Dispute resolution procedure
		X1: Price adjustment for inflation
		X2 Changes in the law
		X5: Sectional Completion
		X7: Delay damages
		X15: Limitation of <i>Contractor's</i> liability for design to reasonable skill and care
		X16: Retention
		X18: Limitation of liability
		Z: <i>Additional conditions of contract</i>
	of the NEC3 Engineering and Construction Contract, April 2013 (ECC3)	
10.1	The <i>Employer</i> is (Name):	Eskom Holdings Limited (reg no: 2002/015527/30), a juristic person incorporated in terms of the company laws of the Republic of South Africa
	Address:	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Represented by:	Dieketseng Monyane
	Tel No:	+27 14 523 7029

⁴ As further provided in the Project Specific Agreement.

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10.1	The <i>Project Manager</i> is:	The Project Manager will be appointed for a particular project and will be specified in the project specific agreement.
	Address:	
	Tel:	
	e-mail:	

10.1	The <i>Supervisor</i> is:	The supervisor will be the Clerk of Works appointed for a particular project and will be specified in the project specific agreement.
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11.2(13)	The <i>works</i> are	Construction of 66kV-132kV Sub Transmission (HV) Lines in the Gemma Cluster including Northern Cape Operating Unit and North West Operating Unit on an as and when required basis for a period of 48 months /4 years. Project specific scope will be specified in the project specific agreement.
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11.2(14)	The following matters will be included in the Risk Register	As indicated in the Project Specific Agreement.
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11.2(15)	The <i>boundaries of the site</i> are	As indicated in the Project Specific Agreement.
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11.2(16)	The Site Information is in	The Project Specific Agreement.
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11.2(19)	The Works Information is in	The Project Specific Agreement.
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12.2	The <i>law of the contract</i> is the law of	The Republic of South Africa.
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13.1	The <i>language of this contract</i> is	English.
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13.3	The <i>period for reply</i> is	1 week.
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2	The Contractor's main responsibilities	Data required by this section of the core clauses is provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.
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3	Time	
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11.2(3)	The <i>completion date</i> for the whole of the <i>works</i> is
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11.2(9)	The <i>key dates</i> and the <i>conditions</i> to be met are:	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Condition to be met</td> <td style="width: 50%;">key date</td> </tr> <tr> <td style="border-left: 1px dashed black; border-right: 1px dashed black; padding: 5px;">Any key date and conditions will be specified in the Project</td> <td></td> </tr> </table>	Condition to be met	key date	Any key date and conditions will be specified in the Project	
Condition to be met	key date					
Any key date and conditions will be specified in the Project						

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		Specific Agreement for any project executed in terms of this contract.				
30.1	The <i>access dates</i> are:	<table border="1"> <thead> <tr> <th>Part of the Site</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>1 As per Project Specific Agreement.</td> <td></td> </tr> </tbody> </table>	Part of the Site	Date	1 As per Project Specific Agreement.	
Part of the Site	Date					
1 As per Project Specific Agreement.						
31.1	The <i>Contractor</i> is to submit a first programme for acceptance within	One Week of the issue of the Project Specific Agreement.				
31.2	The <i>starting date</i> is The starting date for the task is indicated in the Project Specific Agreement.				
32.2	The <i>Contractor</i> submits revised programmes at intervals no longer than	Monthly and prior to assessment of payment.				
35.1	The <i>Employer</i> is not willing to take over the <i>works</i> before the Completion Date.					
4	Testing and Defects					
42.2	The <i>defects date</i> is	52 weeks after Completion of the whole of the <i>works</i> per project or section thereof if sectional completion is applicable.				
43.2	The <i>defect correction period</i> is except that the <i>defect correction period</i> for and the <i>defect correction period</i> for	Within 1 week upon notification of a defect, Where outages are required, within the scheduled outage period, Critical circumstances ⁵ , twelve hours.				
5	Payment					
50.1	The <i>assessment interval</i> is	The 25th day of each successive month.				
51.1	The <i>currency of this contract</i> is the	South African Rand.				
51.2	The period within which payments are made is	Within 30 days of submission to Finance Shared Services of a tax compliant invoice reflecting the amount certified for payment.				
51.4	The <i>interest rate</i> is	The publicly quoted prime rate of interest (calculated on a 365 day year) charged from time to time by the Standard Bank of South Africa Limited (as certified, in the event of any dispute, by any manager of such bank, whose appointment it shall not be necessary to prove) for amounts due in Rands and				

6 Compensation events

⁵ For example, health and safety or asset destruction risks.

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60.1(13) The place where weather is to be recorded is:

The *weather measurements* to be recorded for each calendar month are,

The *weather measurements* are supplied by

The *weather data* are the records of past *weather measurements* for each calendar month which were recorded at:

and which are available from:

The boundaries of the site.

the cumulative rainfall (mm),

the number of days with rainfall more than 10 mm,

the number of days with minimum air temperature less than 0 degrees Celsius,

the number of days with snow lying at 09:00 hours South African Time,

and these measurements:

The contractor using actual weather readings from the *boundaries of the site*.

The nearest weather station of the South African Weather Service to the *boundaries of the site*.

The South African Weather Bureau and included in Annexure A to this Contract Data provided by the *Employer*.

7 Title

There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.

8 Risks and insurance

80.1	These are additional <i>Employer's</i> risks	<ol style="list-style-type: none"> 1. As indicated in the Project Specific Agreement. 2. As indicated in the Project Specific Agreement. 3. As indicated in the Project Specific Agreement.
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84.1	The <i>Employer</i> provides these insurances from the Insurance Table	as stated for "Format A" / "Format B" / "Format Dx" {choose the applicable format then delete the others and delete this note} available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure B for basic guidance).
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84.1	The <i>Employer</i> provides these additional insurances	as stated for "Format A" / "Format B" / "Format Dx" {choose the applicable format then delete the others and delete this note} available on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx (See Annexure B for basic guidance).
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84.2	The minimum limit of indemnity for insurance in respect of loss of or damage	
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	to property (except the <i>works</i> , Plant, Materials and Equipment) and liability for bodily injury to or death of a person (not an employee of the <i>Contractor</i>) caused by activity in connection with this contract for any one event is	Whatever the <i>Contractor</i> deems necessary in addition to that provided by the <i>Employer</i> .
84.2	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	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 Rands).
9	Termination	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
10	Data for main Option clause	
B	Priced contract with bill of quantities	
60.6	The <i>method of measurement</i> is	As stated in Part C2.1, Pricing Assumptions.
11	Data for Option W1	
W1.1	The <i>Adjudicator</i> is	The person selected from the ICE-SA Division (or its successor body) of the South African Institution of Civil Engineering Panel of Adjudicators by the Party intending to refer a dispute to him. (see www.ice-sa.org.za). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
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 London Institution of Civil Engineers. (See www.ice-sa.org.za) or its successor body.
W1.4(2)	The <i>tribunal</i> is:	Arbitration.
W1.4(5)	The <i>arbitration procedure</i> is	The latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.
	The place where arbitration is to be held is	Johannesburg 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 of the Association of Arbitrators (Southern Africa) or its successor body.
	- if the arbitration procedure does not state who selects an arbitrator, is	
12	Data for secondary Option clauses	
X1	Price adjustment for inflation	

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X1.1(a)	The <i>base date</i> for indices is	(One month before the tender conclusion) (put date before signing).		
X1.1(c)	The proportions used to calculate the Price Adjustment Factor are:	<p>The rates provided in the Pricing Data will apply for the first 12 months after the base date.</p> <ul style="list-style-type: none"> - From the anniversary date of base date, the rates will be adjusted for inflation using the relevant tables published by the Department of Labour. - Material rates 60% in the Pricing Data will be adjusted as per SEIFSA TABLE D. - Labour rates 20% in the Pricing Data will be adjusted as per SEIFSA TABLE C3. - Transport rates 20% in the Pricing Data will be adjusted as per SEIFSA TABLE L1. - Price fluctuations may result in an increase or decrease in the rates provided in the Pricing Data. 		
X2	Changes in the law	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.		
X5.1	The <i>completion date</i> for each <i>section</i> of the <i>works</i> is:			
		Section	Description	Completion date
		1	As indicated in the Project Specific Agreement.	As indicated in the Project Specific Agreement.
		2	As indicated in the Project Specific Agreement.	As indicated in the Project Specific Agreement.
		3	As indicated in the Project Specific Agreement.	As indicated in the Project Specific Agreement.
X5 & X7	Sectional Completion and delay damages used together	0.5 % of the contract value per hr to a max of 10%		
X15	Limitation of the Contractor's liability for his design to reasonable skill & care	There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.		
X16	Retention (not used with Option F)			
X16.1	The <i>retention free amount</i> is	None (Zero Rand)		
	The <i>retention percentage</i> is	5%		

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X18	Limitation of liability	
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to:	The sum of the loss as a result of any action arising by any negligent act by any person under the contractor's employment or any person performing work under the direct supervision of the contractor.
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to:	the amount of the deductibles relevant to the event described in the insurance policy format selected in the data for clause 84.1 above, which policy is available on http://www.eskom.co.za/Tenders/InsurancePolicies/Procedures/Pages/EIMS_Policies_From_1_April_2014_To_31_March_2015.aspx
X18.3	The <i>Contractor's</i> liability for Defects due to his design which are not listed on the Defects Certificate is limited to	<p>The greater of</p> <ul style="list-style-type: none"> • the total of the Prices at the Contract Date and • the amounts excluded and unrecoverable from the <i>Employer's</i> assets policy for correcting the Defect (other than the resulting physical damage which is not excluded) plus R15M first amount payable in terms of the <i>Employer's</i> assets policy.
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 excluded matters, is limited to:	<p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> • Defects due to his design which arise before the Defects Certificate is issued, • Defects due to manufacture and fabrication outside the Site, • loss of or damage to property (other than the <i>works</i>, Plant and Materials), • death of or injury to a person and • Infringement of an intellectual property right.
X18.5	The <i>end of liability date</i> is	<p>(i) Seven years after the <i>defects date</i> for latent Defects .</p> <p>(ii) The date on which the liability in question prescribes in accordance with the Prescription Act No. 68 of 1969 (as amended or in terms of any replacement legislation) for any other matter.</p> <p>A latent Defect is a Defect which would not have been discovered on reasonable inspection by the <i>Employer</i> or the <i>Supervisor</i> before the <i>defects date</i>, without requiring any inspection not ordinarily carried out by the <i>Employer</i> or the <i>Supervisor</i> during that period.</p>

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If the *Employer* or the *Supervisor* do undertake any inspection over and above the reasonable inspection, this does not place a greater responsibility on the *Employer* or the *Supervisor* to have discovered the Defect.

Z The Additional conditions of contract are

Z1 Cession delegation and assignment

- Z1.1 The *Contractor* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Employer*.
- Z1.2 Notwithstanding the above, the *Employer* may on written notice to the *Contractor* cede and delegate its rights and obligations under this contract to any of its subsidiaries or any of its present divisions or operations which may be converted into separate legal entities as a result of the restructuring of the Electricity Supply Industry.

Z2 Change of Broad Based Black Economic Empowerment (B-BBEE) status

- Z2.1 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.
- Z2.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Employer* within thirty days of the notification or as otherwise instructed by the *Employer*.
- Z2.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the *starting date* the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Works.
- Z2.4 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 those stated in Clause 91.1 and the amount due on termination includes amounts listed in Clause 92.1 less a deduction of the forecast additional cost to the *Employer* of completing the works.

Z3 Confidentiality

- Z3.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to others except where required by this contract. 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 where required by this contract the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z3.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Employer*.
- Z3.3 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,

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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.

Z3.4 The taking of images (whether photographs, video footage or otherwise) of the *works* or any portion thereof, in the course of Providing the Works and after Completion, requires the prior written consent of the *Employer*. All rights in and to all such images vests exclusively in the *Employer*.

Z3.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z4 Waiver and estoppel: Add to clause 12.2:

Z4.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties or their delegates 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.

Z5 Health, safety and the environment

Z5.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *works*. 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 Site;
- 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 *works*; and
- undertakes, in and about the execution of the *works*, 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.

Z5.2 The *Contractor*, in and about the execution of the *works*, 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.

Z6 Provision of a Tax Invoice and interest. Add to clause 50

Z6.1 The *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Works Information, showing the correctly assessed amount due for payment.

Z6.2 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 clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z6.3 The *Contractor* 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.

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Z7 Notifying compensation events

Z7.1 Delete from the last sentence in clause 61.1, "unless the event arises from an instruction of the Employer."

Z8 Employer's limitation of liability; Add to clause 80.1

Z8.1 The *Employer* liability to the *Contractor* for the *Contractor's* indirect or consequential loss is limited to R0.00 (zero Rand).

Z9 Termination: Add to clause 90.2, after the words "or its equivalent":

Z9.1 or had a business rescue order granted against it.

Z10 Addition to Clause 50.5

Z10.1 If the amount due for the *Contractor's* payment of *delay damages* reaches the limits stated in this Contract Data (if any), the *Employer* may terminate the *Contractor's* obligation to Provide the Works.

If the *Employer* terminates in terms of this clause, the procedures on termination are those stated in Clause 91.1 and the amount due on termination includes amounts listed in Clause 92.1 less a deduction of the forecast additional cost to the *Employer* of completing the works.

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 Subconsultants 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.

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

Z12 Insurance

Z_12.1 Replace core clause 82 with the following:

Insurance cover

82

- 82.1 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.
- 82.2 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	Cover provided until
Loss of or damage to the works	The replacement cost where not covered by the <i>Employer's</i> insurance	The <i>Employer's</i> certificate of Completion has been issued
	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, Plant and Materials	The replacement cost where not covered by the <i>Employer's</i> insurance	The Defects Certificate has been issued
	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 works, Plant and Materials and	<u>Loss of or damage to property</u> <u><i>Employer's</i> property</u>	

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<p>Equipment) and for bodily injury to or death of a person (not an employee of the Contractor) arising from or in connection with the Contractor's Providing the Works</p>	<p>The replacement cost where not covered by the Employer's insurance</p> <p>The Employer's policy deductible as at contract date where covered by the Employer's insurance</p> <p><u>Other property</u></p> <p>The replacement cost</p> <p><u>Bodily injury to or death of a person</u></p> <p>The amount required by the applicable law</p>	
<p>Liability for death of or bodily injury to employees of the Contractor arising out of and in the course of their employment in connection with this contract</p>	<p>The amount required by the applicable law</p>	

82.3 The Employer provides the insurances as stated in the Insurance Table B

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or mini 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

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Z13 Nuclear Liability

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

Z14 Asbestos

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

- AAIA** means approved asbestos inspection authority.
- ACM** means asbestos containing materials.
- AL** means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
- Ambient Air** means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
- Compliance Monitoring** means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
- OEL** means occupational exposure limit.
- Parallel Measurements** means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
- Safe Levels** means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
- Standard** means the *Employer's* Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos

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Containing Material, Equipment and Articles.

SANAS

means the South African National Accreditation System.

TWA

means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

- Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) (“Asbestos Regulations”). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.
- Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor’s* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.
- Z14.3 The *Employer* manages asbestos and ACM according to the Standard.
- Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.
- Z14.5 The *Contractor’s* personnel are entitled to stop working and leave the contaminated area forthwith until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.
- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer’s* expense, and conducted in line with South African legislation.

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Annexure A: One-in-ten-year-return weather data obtained from SA Weather Bureau for [weather station]

If any one of these *weather measurements* recorded within a calendar month, before the Completion Date for the whole of the *works* and at the place stated in this Contract Data is shown to be more adverse than the amount stated below then the *Contractor* may notify a compensation event.

Month	Weather measurement				
	Cumulative rainfall (mm)	Number of days with rain more than 10mm	Number of days with min air temp < 0 deg.C	Number of days with snow lying at 08:00 CAT	[Other measurements if applicable]
January	[•]	[•]	[•]	[•]	
February	[•]	[•]	[•]	[•]	
March	[•]	[•]	[•]	[•]	
April	[•]	[•]	[•]	[•]	
May	[•]	[•]	[•]	[•]	
June	[•]	[•]	[•]	[•]	
July	[•]	[•]	[•]	[•]	
August	[•]	[•]	[•]	[•]	
September	[•]	[•]	[•]	[•]	
October	[•]	[•]	[•]	[•]	
November	[•]	[•]	[•]	[•]	
December	[•]	[•]	[•]	[•]	

Only the difference between the more adverse recorded weather and the equivalent measurement given above is taken into account in assessing a compensation event.

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Annexure B: 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. For the purpose of works contracts, insurance provided by Eskom (the *Employer*) has been arranged on the basis of "project" or "contract" value, where the value is the total of the Prices at Completion of the whole of the works including VAT.

A "project" is a collection of contracts or work packages to be undertaken as part of a single identified capital expansion or refurbishment of a particular asset or facility.

A "contract" is a single contract not linked to or being part of a "project".

2. For ECC3 there are three main "formats" of cover and deductible structure; Format A, Format B and Format Dx.

Format A is for a project or contract value less than or equal to R350M (three hundred and fifty million Rand) inclusive of VAT.

Format B is for a project or contract value greater than R350M (three hundred and fifty million Rand) inclusive of VAT.

In the case of contracts / packages within a project:

- For a contract / package of R50M which is part of a R400M project, Format B will apply
- For a contract / package of R250M which is part of a R6 billion project, Format B will apply;
- For a contract / package of R120M which is part of a R350M project Format A will apply;

For a contract which is not part of a project the same limits apply:

- For a contract of R50M, Format A will apply
- For a contract of R355M, Format B will apply.

Format Dx applies only to Distribution Division projects and contracts. If a Distribution Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover. Cover and deductibles for Distribution Division are per the relevant policy available on the internet web link given below.

Format A generally applies to Transmission Division projects and contracts. If a Transmission Division project or contract exceeds the Format A limit, the Eskom Insurance Management Services [EIMS] need to be contacted for advice on how to formulate the insurance cover.

3. 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 84.2. In terms of clause 84.1 "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.
4. When the 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.

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C1.2 Contract Data

Part two - Data provided by the Contractor

Notes to a tendering contractor:

1. Please read both the NEC3 Engineering and Construction Contract (April 2013) and the relevant parts of its Guidance Notes (ECC3-GN)⁶ in order to understand the implications of this Data which the tenderer is required to complete. An example of the completed Data is provided on pages 156 to 158 of the ECC3 (April 2013) Guidance Notes.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data
10.1	The Contractor is (Name): Address Tel No. Fax No.	
11.2(8)	The direct fee percentage is The subcontracted fee percentage is	% %
11.2(18)	The working areas are the Site and	
24.1	The Contractor's key persons are: 1 Name: Job: Responsibilities: Qualifications: Experience: 2 Name: Job: Responsibilities: Qualifications: Experience:	CV's (and further key persons data including CVs) are appended to Tender Schedule entitled

⁶ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009 or see www.ecs.co.za

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11.2(3)	The <i>completion date</i> for the whole of the works is	
11.2(14)	The following matters will be included in the Risk Register	
11.2(19)	The Works Information for the <i>Contractor's</i> design is in:	
31.1	The programme identified in the Contract Data is	
B	Priced contract with bill of quantities	
11.2(21)	The <i>bill of quantities</i> is in	Project Specific Agreement for any project executed in terms of this contract.
11.2(31)	The tendered total of the Prices is	the Project Specific Agreement for any project executed in terms of this contract.
	Data for Schedules of Cost Components	<i>Note "SCC" means Schedule of Cost Components starting on page 60, and "SSCC" means Shorter Schedule of Cost Components starting on page 63 of ECC3 (April 2013).</i>
B	Priced contract with bill of quantities	Data for the Shorter Schedule of Cost Components
41 in SSCC	The percentage for people overheads is:	%
21 in SSCC	The published list of Equipment is the last edition of the list published by The percentage for adjustment for Equipment in the published list is	Minus %
22 in SSCC	The rates of other Equipment are:	Equipment Size or capacity Rate
61 in SSCC	The hourly rates for Defined Cost of design outside the Working Areas are Note: Hourly rates are estimated 'cost to company of the employee' and not selling rates. Please insert another schedule if foreign resources may also be used	Category of employee Hourly rate
62 in SSCC	The percentage for design overheads is	%
63 in SSCC	The categories of design employees whose travelling expenses to and from the Working Areas are included in Defined Cost are:	

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PART 2: PRICING DATA

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C2.1 Pricing assumptions: Option B

The *conditions of contract*

1. How work is priced and assessed for payment

Clause 11 in NEC3 Engineering and Construction Contract, June 2005 (ECC3) Option B states:

Identified and defined terms	11 11.2	<p>(21) The Bill of Quantities is the <i>bill of quantities</i> as changed in accordance with this contract to accommodate implemented compensation events and for accepted quotations for acceleration.</p> <p>(28) The Price for Work Done to Date is the total of</p> <p>the quantity of the work which the <i>Contractor</i> has completed for each item in the Bill of Quantities multiplied by the rate and a proportion of each lump sum which is the proportion of the work covered by the item which the <i>Contractor</i> has completed.</p> <p>Completed work is work without Defects which would either delay or be covered by immediately following work.</p> <p>(31) The Prices are the lump sums and the amounts obtained by multiplying the rates by the quantities for the items in the Bill of Quantities.</p>
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This confirms that Option B is a re-measurement contract and the bill comprises only items measured using quantities and rates or stated as lump sums. Value related items are not used. Time related items are items measured using rates where the rate is a unit of time.

2. Function of the Bill of Quantities

Clause 55.1 in Option B states, "Information in the Bill of Quantities is not Works Information or Site Information". This confirms that instructions to do work or how it is to be done are not included in the Bill, but in the Works Information. This is further confirmed by Clause 20.1 which states, "The *Contractor* Provides the Works in accordance with the Works Information". Hence the *Contractor* does **not** Provide the Works in accordance with the Bill of Quantities. The Bill of Quantities is only a pricing document.

3. Guidance before pricing and measuring

Employers preparing tenders or contract documents, and tendering contractors are advised to consult the sections dealing with the bill of quantities in the NEC3 Engineering and Construction Contract (June 2005) Guidance Notes before preparing the *bill of quantities* or before entering rates and lump sums into the *bill*.

The NEC approach to the P & G bill assumes use will be made of method related charges for Equipment applied to Providing the Works based on durations shown in the Accepted Programme, fixed charges for the use of Equipment that is required throughout the construction phase, time related charges for people working in a supervisory capacity for the period required, and lump sum charges for other facilities or services not directly related to performing work items typically included in other parts of the bill.

The P & G section of the bill is not used for the assessment of compensation events.

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4. Measurement and payment

4.1 Symbols

The units of measurement described in the Bill of Quantities are metric units abbreviated as follows:

Abbreviation	Unit
%	percent
h	hour
ha	hectare
kg	kilogram
kl	kilolitre
km	kilometre
km-pass	kilometre-pass
kPa	kilopascal
kW	kilowatt
l	litre
m	metre
mm	millimetre
m ²	square metre
m ² -pass	square metre pass
m ³	cubic metre
m ³ -km	cubic metre-kilometre
MN	meganewton
MN.m	meganewton-metre
MPa	megapascal
No.	number
Prov sum ⁷	provisional sum
PC-sum	prime cost sum
R/only	Rate only
sum	Lump sum
t	ton (1000kg)
W/day	Work day

4.2. General assumptions

- 4.2.1. Unless otherwise stated, items are measured net in accordance with the drawings, and no allowance has been made in the quantities for waste.
- 4.2.2. The Prices and rates stated for each item in the Bill of Quantities shall be treated as being fully inclusive of all work, risks, liabilities, obligations, overheads, profit and everything necessary as incurred or required by the *Contractor* in carrying out or providing that item.
- 4.2.3. An item against which no Price is entered will be treated as covered by other Prices or rates in the *bill of quantities*.

⁷ Provisional Sums should not be used unless absolutely unavoidable. Rather include specifications and associated bill items for the most likely scope of work, and then change later using the compensation event procedure if necessary.

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- 4.2.4. The quantities contained in the Bill of Quantities may not be final and do not necessarily represent the actual amount of work to be done. The quantities of work assessed and certified for payment by the *Project Manager* at each assessment date will be used for determining payments due.
- 4.2.5. The short descriptions of the items of payment given in the *bill of quantities* are only for the purposes of identifying the items. Detail regarding the extent of the work entailed under each item is provided in the Works Information.

4.3. Departures from the *method of measurement*

4.3.1. Standard Systems of Measuring

4.4. Amplification of or assumptions about measurement items

For the avoidance of doubt the following is provided to assist in the interpretation of descriptions given in the *method of measurement*. In the event of any ambiguity or inconsistency between the statements in the *method of measurement* and this section, the interpretation given in this section shall be used.

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C2.2 The *Provisional Bill of Quantities*

Sub-Transmission Lines

[Insert finally agreed table of rates, as tendered, negotiated and finalised]

CONTRACTOR:

.....
PRINT NAME

.....
SIGNATURE

.....
DATE

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PART 3: SCOPE OF WORK

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C3.1: EMPLOYER'S WORKS INFORMATION

1.1. Executive overview

The purpose of this contract is to facilitate the construction of all Sub-Transmission Lines work for the Asset Creation Section of Distribution within the GEMMA Cluster.

- Northern Cape Operation Unit
- North West Operation Unit

This contract will facilitate ease of appointment of contractors who prequalify according to the Conditions of Tender as advertised. Work will be allocated on a fair basis to each contractor depending on their CIDB Grading and financial evaluation as carried out by Eskom.

All work shall be carried out to the specified requirements, standards and quality as set out by Eskom while observing and complying with all safety and environmental requirements at the agreed negotiated rates.

The Contractor is appointed on this contract on a Rate Only basis, as and when required. Eskom will provide confirmation of the total value of work completed in terms of this contract once the period of the contract has reached its agreed end date, or upon request of the contractor for the total value of each project completed to date at the time of request.

Eskom reserves the right not to appoint any work to a Contractor based on poor performance of the Contractor.

1.2. Employer's objectives and purpose of the works

The Eskom Project Manager will contact the allocated Contractor and issue the Contractor with the design package for the project to be executed. A Project Specific Agreement will be issued as well, which will detail all the project specific requirements for execution of the project for the task order to be issued. The Project Specific Agreement issued will form the basis of the agreement between Eskom and the Contractor for each project to be executed in terms of this contract.

The terms and conditions contained in the Project Specific Agreement will be in accordance with the terms and conditions of this contract but specific to the requirements of the project to be executed.

The allocated Contractor will do a site visit with the Eskom project representatives and verify the scope of work to be executed contained in the design package, assess the Site conditions, the Project Specific SHEQ requirements and SD&L requirements before the quotation for the works is finalised. The Project Manager will then request a quotation from the Contractor for the execution of the works as verified. The quotation must be submitted to the Project Manager by the Contractor within 7 days. The Project Manager will request the Quantity Surveyor to verify the quotation for correctness and confirm the cost according to the agreed negotiated rates.

Should the quotation require adjustment, the Project Manager will request the allocated Contractor to amend the quotation. Once the quotation has been accepted by Eskom, the Project Manager will issue the allocated Contractor with a Task Order for the project which will contain a Task Order Number and will be attached to the Project Specific Agreement. The Project Specific Agreement will then be signed off by the Project Manager and the Contractor and work may then commence on the project.

No work may commence on a project unless the Task Order has been issued, the Project Specific Agreement has been signed, the Contractor Safety File has been approved by Eskom, the 37(2) agreement

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has been signed and Site Access has been granted to the allocated Contractor. Eskom will not be liable to pay for any work unless a valid Task Order Number has been issued.

The Contractor is to submit the Project Specific Safety File within seven days upon being requested to do so by the Project Manager for approval by Eskom. The Safety File is to conform to all Eskom and OHS requirements. Should there be a need to rectify the safety file an additional opportunity will be granted to conform to the recommendations made by the Eskom SHE representative and must be resubmitted within seven days for approval. Should the Project Specific Safety File fail upon resubmission the works will be allocated to another Contractor.

The Contractor will compile a Risk Register as per the terms and conditions of the ECC for discussion at regular Risk Reduction Meetings or as per agreement with the Project Manager.

It is expected from the Contractor to do the whole of the work as per timeframe set in the Task Order, Project Specific Agreement, and agreed Program of the Works.

The Contractor will be responsible for the collection and transporting of all necessary material from any and/or all Eskom warehouses and delivery of the material to site as well as return any material to Eskom stores from the site upon instruction from the Project Manager. Payments will be made based on the distance from the site to the relevant Eskom store and back to site.

Minimum recommended working hours to be observed site are from 07h30 to 16h00.

The contractor is to ensure that all required documentation prescribed by Law is kept on file at the site office. All OHS and Construction Regulation requirements are to be adhered to by the contractor.

The Contractor will also ensure that all plant and equipment dedicated to the project will not be removed from site until there is no use for the intended plant and equipment. No moving of plant and equipment between projects will be allowed as it will have impact on completion of the project and lead to delays in completion.

The Contractor is to ensure that all Site Managers are competent, and trained in the use of the ECC and are fully conversant and familiar with the usage and procedures thereof. Adherence to the terms and conditions of the ECC are essential and a requirement of all Contractor Site Managers dedicated to each project as per the Construction Regulations.

Payment Assessments will only be done for work done to date. No material on site will be paid for. Records of defined costs are to be kept on file on site whereby the *Project Manager* has access to this file at all times.

1.3. Interpretation and terminology

1.3.1 Abbreviations

The following abbreviations are used in the Works Information:

Abbreviation	Description
NWOU	North West Operating Unit
TBA	To be announced
PM	Project Manager
QS	Quantity Surveyor
BBBEE	Broad Based Black Economic Empowerment
PPPFA	Procurement Preferential Policy Framework Act

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1.3.2. Acceptance of Eskom SHEQ Policies and Procedures

The attached documents form part of this legal binding contract, the *Contractor* confirms that he has familiarized himself with all the embedded documents from 1 to 25 as indicated

No	UNIQUE IDENTIFIER	REVISION	DOCUMENT TITLE
1	32 - 727	0	SAFETY, HEALTH, ENVIRONMENT AND QUALITY (SHEQ) POLICY 32-727  32-727 Feb 2014.pdf
2	32 - 136	0	CONSTRUCTION SAFETY HEALTH AND ENVIRONMENTAL MANAGEMENT  2_Construction Safety Health and En
3	32-524	0	DEVELOPING A SAFETY, HEALTH AND ENVIRONMENTAL SPECIFICATION  3_Developing a Safety, Health and En
4	34 - 333	1	HEALTH AND SAFETY REQUIREMENTS TO BE MET BY PRINCIPAL CONTRACTORS EMPLOYED BY ESKOM DISTRIBUTION 34-333  4_Health and Safety Requirements to be n
5	ESKOM LIFE SAVING RULES	1	ESKOM LIFE SAVING RULES 240-62196227  Eskom life-saving rules.pdf
6	CONSTRUCTION REG 3		NOTIFICATION OF CONSTRUCTION WORK TO DEPARTMENT OF LABOUR  6_Notification of Construction Work to
7	CONSTRUCTION REG 4 & 5		APPOINTMENT LETTERS FOR CLIENT REPRESENTATIVE, PRINCIPAL CONTRACTOR & CONTRACTOR  7_Appointment letters for Client repr
8 & 9	OHS Act	1	WRITTEN AGREEMENT ON OHS ACT SECTION 37(2) & STANDARD CLAUSE

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			 37 2 Jan 2014.doc
10, 11 & 12	34 - 1063	0	EXPANDED PUBLIC WORKS REPORT 34-1063.  10_34-1063 EPWP Works Instruction.pdf  11_EPWP Guidelines Second edition 2005.  Eskom EPWP report template rev 7.xlsx
13	<u>DST 34-961</u>	0	LEGAL APPOINTMENTS AND AUTHORIZATIONS  13_Legal Appointments and Au
14	TPC 41-55		TRANSPORTING PERSONS ON BACK OF VEHICLES  14_Transporting of Passengers on the ba
15	LTIR	MASTER	LOST TIME INJURY REPORT  LTIR Master.xls
16	1. Contractor Performance Evaluation	MASTER	 Single Evaluator Template for Contrac
17	2. Supplier Contract Quality Requirements	MASTER	 QM-58 Supplier Contract Quality Req
18	3. Hard Specifications Hat OHS 01/12/	MASTER	 OHS 01 12 Hard Hat Specifications.pdf
19	4. Identifying, Analysing, Documenting and Observing Tasks according to Criticality.	REV 1	 DPC_34-380.pdf
20	5. Health & Safety Representatives inspection reports and guidelines	REV 1	 DPC_34-228Health_Safety_REp.pdf
21	6. Work at Heights Procedure	REV 1	 32-418 Work at Height Procedure.pdf

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22	7. SHE Requirements for the Eskom Commercial Process	REV 1	 32-726 SHE Requirements for the
23	8. Vehicle Safety	REV 0	 Vehicle Safety 32 345.pdf
24	9. 32-95 Environmental Occupational Health and Safety Incident Management Procedure	REV 5	 32-95 Environmental Occupational Health &
25	10. Risk Audit System Template	REV 0	 Audit Input Form Contractor RM 29 Sej

1.3.3. Acknowledgement by Contractor

I/WE, DO HEREBY ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE ABOVE ANNEXED DOCUMENTS FROM 1 TO 25 IN SECTION 1.3.2 OF THIS CONTRACT.

I/WE UNDERTAKE TO STUDY AND ABIDE BY THESE REQUIREMENTS AT ALL TIME.

SIGNED AT: ON THE DAY OF20.....

Note: Please return the above pages with the other tender returnable to the Eskom office that issued this enquiry after complying with the above.

2. Management and Start-up

2.1. Management Meetings

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

Title and purpose	Approximate time & interval	Location	Attendance by:
Pre-introductory meeting	Upon request of the Project Manager at an agreed date by all parties	Site	<i>PM, QS, Site Supervisor, Safety and Environmental Representatives and the Contractor.</i>
Introductory meeting	After safety and environmental files have been assessed and approved.	Site	<i>PM, QS, Site Supervisor, Safety and Environmental Representatives and the Contractor.</i>
Toolbox talk and risk assessment	Daily before work begins.	Site	<i>Contractor and Site Supervisor.</i>
Risk register and	As necessary.	Site	<i>PM, Contractor and Site</i>

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compensation events			<i>Supervisor.</i>
Overall contract progress and feedback	On a regular basis as agreed with the Project Team and the Contractor	Site	<i>PM, QS, Contractor, Site Supervisor, and Safety and Environmental Representatives.</i>

Meetings of a specialist nature may be convened as specified elsewhere in this Works Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the works. Records of these meetings shall be submitted to the *Project 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.

All project instructions are to be issued by the Project Manager only.

2.2. Documentation Control

All correspondence is to be addressed to the *Project Manager* with a chronological numbering system.

2.3. Health and Safety Risk Management

The Contractor shall control his activities and processes in accordance with the Occupational Health & Safety Act, No. 85 of 1993 and Eskom’s Construction Safety, Health and Environmental Management 32-136, Safety, Health, Environment and Quality Policy, EPC32-727 and SHE Requirements for the Eskom Commercial Process, ST32-726. The *Contractor* shall comply with the health and safety requirements contained in Section 1.3.2 of this Works Information.

The Contractors Project SHEQ File is to be updated on a continuous basis. The Contractor is to ensure that all relevant documentation and authorisations are contained in the file pertaining to the project. Upon completion of the project, the Contractor is to convert all documentation contained in the SHEQ file into electronic format and save it as a PDF File. The file name should contain the name of the Contractor and the project. The file should then be saved onto a disk or removal storage device and handed over to the Project Coordinator or Project Manager upon completion of the project.

2.4.Environmental Constraints and Management

The *Contractor* shall control his activities and processes in accordance with Environmental Requirements for the Procurement of Assets, Goods and Services, TST41-120 Rev. 2. The Eskom Environmental Management Plan provides the aspects and impacts that will require management and must be followed strictly. The *Contractor* is to prepare a site/factory specific separate EMP for all environmental concerns that might arise and any changes to the approved plan shall be reported and be approved by the *Eskom Environmental Representative* and *Project Manager* prior to the commencement of work.

In addition, the *Contractor* is required to ensure that all goods, services or works supplied in terms of this *Works Information* also conform to all applicable environment legislation(s), Safety, Health, Environment and Quality Policy, EPC32-727; SHE Requirements for the Eskom Commercial Process, ST32-726; (and additional requirements). The *Contractor* shall comply with the environmental criteria and constraints stated in Section 1.3.2.

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When required, the *Contractor* must ensure that all *Subcontractors'* EMP comply with legal and other requirements and also includes all the environmental risks associated with the scope of work. The *Main (Principal) Contractor* shall define the specific risks applicable to the *Subcontractor's* scope of work or supply of kiosks.

The *Contractor* is to send a flash report for any environmental incidents that have occurred on site as soon as possible or within 24 hours to the *Eskom Environmental Representative* and *Project Manager* clearly stating any impact to the environment.

No environmental records shall be destroyed or discarded by the *Contractor*. Eskom as the *Employer* and the *Contractor* shall agree that the *Contractor* retains certain environmental records. Waste generated during the course of the project must be disposed at a registered site and the *Contractor* shall retain records of disposal.

Deviations from these requirements will be regarded as a non-conformance. Should there be concerns regarding environmental performance and non-conformance to environmental requirements, management engagements and interventions will be introduced to determine a means to addressing the shortfalls. Once these interventions have been explored and exhausted, then the *Eskom Supplier Disciplinary Process* will be followed.

The cost to the *Contractor* to obtain permits should it become necessary to cut a protected tree, ensure that waste is disposed of on a permitted, legal waste site and all relevant costs payable to dumping site as well as safe storage of all equipment which will be removed and replaced from site which will be transported upon instruction to the nearest designated disposal site within the Mpumalanga Operating Unit.

2.5. Quality Assurance Requirements

2.5.1. Quality Plan

- The *Contractor* needs to submit a quality plan indicating the control points for quality to ensure that the works are done according to specification.
- The *Contractor* is required to employ a competent Supervisor or Foreman on site for the duration of the project to implement workmanship quality checks. .
- Eskom will do inspections and quality checks on installations completed by the *Contractor* prior to hand-

2.5.2. Quality Control

1. An approved Contract Quality Plan for the contract duration is to be implemented in conjunction with, and to the approval of, the *Project Manager*.
2. The *Contractor* needs to submit a quality plan indicating the control points for quality to ensure that the works are done according to specification for each task order issued;
3. The *Contractor* is required to employ a competent Supervisor or Foreman on site for the duration of the project to implement workmanship quality checks. .
4. Eskom will do inspections and quality checks on installations completed by the *Contractor* prior to hand-over of each project, but this does not relieve the contractor from doing 1st line inspections and doing quality work.

2.5.3. Quality Engineering

- a. All construction and installation methods are to comply with the Power Delivery Engineering standard requirements as contained in the National and Provincial Standards on the Distribution Technology websites.
- b. The *Contractor* shall comply with the Project Specifications included in the NEC document. Any changes proposed during the construction phase shall notify the *Project Manager* who will allow the Project Change Request approval process.
- c. Eskom Holdings SOC Limited's representative must be notified at least 30 days prior to the commissioning of the substation (in the case of a substation).

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- d. Eskom Holdings SOC Limited's representative must be allowed access to the site at any time during the construction to carry out an inspection of the works.
- e. Before the start of all Task Orders, prior to construction, the Contractor will compile a Quality Control Plan (QCP) and confirm with the relevant Clerk of Works which activities are identified as Holding Points/milestone and which activities he would like to be photographed as proof for compliancy if not present. A Holding Point is an activity for which arrangements have to be made for the Clerk of Works to be present and to witness the work procedure. The QCP shall be compiled using the relevant template.
- f. Each stage, once completed by the contractor, will be signed off by both the Contractor and Clerk of Works. The Clerk of Works will indicate whether the activity was:
 - g. Witnessed (W) – present during this activity Verify (V) – not present but confirm compliancy.
- h. Once all the activities have been completed, the Quality Control Programme shall be presented to the Project Manager to sign off the Handover Certificate of each stage.

2.5.4. General Quality requirements

1. Compliance with the provisions of this clause in no way relieves the Tenderer of the final responsibility to furnish an acceptable product and/or services.
2. The Tenderer agrees to control and professionally preserve and store appropriate documents, records and recordings to guarantee the traceability of the services rendered and inspection thereof, as per the Contract.
3. The Tenderer agrees to implement all necessary improvements for the installation, production and organisation deemed necessary to meet the requirements of the order.
4. The delivered product and / or service shall be uniform in Quality and condition, sound and free from defects, consistent with good industry practices and adhere to the requested Eskom requirements, without deviation.
5. Eskom shall have the right to conduct surveys and perform surveillance of the Tenderer's and Sub-Tenderer's facilities to evaluate their capability to comply with the requirements necessary to conform to contractual requirements.
6. Eskom reserves the right to review , inspect and audit , at reasonable times , any or all parts of the Tenderer's QMS as well as documents associated with the service provision of the work included in the contract , at the Tenderer's premises or elsewhere . Verification by Eskom shall not absolve the Tenderer of the responsibility to provide acceptable product and / or services, nor shall it preclude subsequent rejection by Eskom.
7. The services must comply with the agreed specifications and the applicable directives and technical standards set out in the Scope of Work and Specifications. Defects notified by Eskom shall be remedied by the Tenderer upon demand by Eskom without undue delay and at no extra cost. The Tenderer shall continuously monitor and identify non-conformances, both internal and external, as signals of opportunities for improvement making process and other relevant changes to prevent recurrence
8. The Tenderer shall further identify potential problems before they occur by identifying deviations in patterns or trends in product, service or process performance.
9. Nothing contained in the Contract shall relieve in any way the Tenderer from the obligation of Quality control thereof.
10. The Tenderer guarantees that the quantity and Quality of the delivered product/services comply with the requirements of the contract and/or relevant specifications.
11. The Tenderer shall prove its ability to relate to the proposed scope of work which establishes the manner in which the Tenderer intends to perform the Contract.
12. The Tenderer shall, on request, prove its organisational, logistics and support resources to ensure the requirements of the contract can be achieved.
13. Eskom reserves the right to assess and measure , in the selection process, the qualifications , capability and competence of the key staff (assigned personnel) in relation to the scope of work and to interview any / all Tenderers to confirm the Quality evaluation.
14. The personnel of the Tenderer, who will be conducting the service, will be available on a continuous basis until the conclusion of the project.
15. The Tenderer shall demonstrate experience in comparable projects or specific aspects of the project and / or performance in similar projects.
16. The Quality of the service / product and the contents thereof will be in accordance with prescribed standards.

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17. For the duration of the Contract, the Tenderer shall ensure that suitably experienced people are assigned to perform designated work
18. Prior to the commencement of the management of the Professional services, the Tenderer must have scrutinised Eskom's requirements with specific focus on , inter alia , its policies and practises.
19. It is the Tenderer's obligation to ensure that his/her operations and the products and/or services it provides to Eskom comply with any applicable statutes and or regulations. Any non-compliance by the Tenderer and the resultant corrective actions shall be the responsibility of the Tenderer.
20. The Tenderer shall ensure that he/she complies with the Scope of Work and that appropriate quality requirements (as in the main contract) are included in subcontracts placed by the Tenderer to ensure sub-tenderer's compliance with the Scope of Work, if and when applicable
21. The Tenderer shall:
 - a) Support Eskom's effort to monitor, verify and / or witness any activities associated with the service at any reasonable time.
 - b) Comply with Eskom requests for documentation, records, inspections and witnessing. Eskom participation in audits, appraisals, assessment of plan and verification shall be conducted at no extra cost to Eskom.
 - c) Where applicable, the Tenderer shall ensure that Eskom has access to all work procedures, quality records and to all supporting documentation through provision of access to view and photocopy as required to support verification of work scope requirements. Access shall include the ability to photograph Eskom equipment, systems, system components, materials, as required.
 - d) Provide access to all quality related information pertaining to activities performed by the Tenderer or sub-tenderer(s), which Eskom might not have participated in the witnessing of quality assurance or control thereof. (This refers to inspections, audits, or any part of the Tenderer's QMS , performed by the Tenderer on its own sub-tenderers, if applicable).
 - e) Ensure above requirements (a-d) are communicated down to and accepted by sub-tenderers if and when applicable.
 - f) Utilise detailed review of the work scope to determine deliverables, including deliverable quality activities identified and delivery schedules.
22. The Tenderer shall submit a draft Contract Quality Plan (CQP) within 7 days of conclusion of the contract. The CQP shall contain the following information: (See Annexure C of QM 58)
23. A cover page containing the following information:
 - a) The draft contract title
 - b) The Eskom tender number
 - c) The draft contract commencement and completion dates
 - d) The names, designations, signatures, of personnel responsible for preparing and approving CQP
 - e) Provision for Eskom acceptance of the CQP.
 - f) An index of contents.
 - g) A full description of the service Information.
 - h) A description of the communication channels between the Tenderer and Eskom regarding all quality related issues (fixed contract meetings).
 - i) An organogram showing the structure of the Tenderer, which shall show the quality management representative and all other personnel responsible for control of quality activities/processes.
 - j) An index of all the interfacing documents between the Tenderer and Eskom.
 - k) A schedule (Index) of documents / records that shall be:
 - A list of all sub-tenderers that shall be utilized during the contract.
 - l) This list shall indicate:
 - The scope of service.
 - A method of acceptance of any sub-tenderers by Eskom shall be indicated (if applicable)
 - An indication of how the sub-tenderers shall be controlled and monitored during contract execution (if applicable)
 - Objective evidence that the Tenderer's sub-tenderers will work to the specified quality standard (if applicable)
 - A description of how all quality records shall be controlled (e.g. identified, completed, retained and disposition).

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- Application for non-compliance acceptance (concessions) registers to be updated during the contract.
- 24. The Tenderer shall allow Eskom the right to:
- 25. a). Oversee Tenderer audit programs by participating in selected audits as an observer and by assessing Tenderer at key work stages. Eskom will coordinate with the Tenderer to develop an oversight schedule aligned with Tenderer audit schedule.
- 26. b) Access to any audit reports (if any)
- 27. c) Conduct independent quality audits during all phases of the contract and the Tenderer shall provide all resources to support these activities.
- 28. d). Have electronic and hard copy access to all quality plans, procedures, documentation other quality records relating to the service provision including but not limited to data extracts.(if applicable)
- 29. e) Carry out assessments and audits on all new Tenderers and sub-tenderers.
- 30. f) The Supplier shall comply with the Quality requirements as set out in the latest edition of Eskom QM-58 document, Supplier Contract Quality Requirements Specification, as well as all applicable legislation included in or referred to in this document.
- 31. g) The Tenderer needs to submit a quality plan indicating the control points for quality to ensure that the works are done according to specification.
- 32. h)The Tenderer is required either himself or to employ a competent Supervisor or Foreman on site for the duration of the project to implement workmanship quality checks. .
 - a) The Tenderer needs to submit a quality plan indicating the control points for quality to ensure that the works are done according to specification.
- 33. Product packaging requirements to be complied with for purchased material and material collected from the Warehouse;

2.6. Programming constraints

A comprehensive and fully detailed programme is to be submitted within the seven (7) days after the introductory meeting and should indicate all milestones and critical dates. This programme must first be approved by the *Project Manager* and must be updated on an as and when required basis by the *Project Manager*.

2.6.1. The following dates shall be clearly reflected on the programme:

- Starting and completion dates for all activities as well as relevant key dates for hold or witness points. All relevant significant activities shall be shown in order to monitor the progress in the factory/workshop.
- The programme shall also reflect a 2-week period for inspection and correcting of Defects before the completion date.

Updated programmes must be available at all meetings reflecting progress to date and the date when delivery will take place through the use of task orders.

FORMAT OF THE PROGRAM

- The *Contractor* shall submit his construction program in terms of the conditions of contract.
- The *Contractor* is to submit a revised programme for acceptance at each site meeting.
- This program shall be in the form of an approved Gantt Chart containing the following information:
- All construction activities, including milestones, initial tasks, critical path, required Outages, and target *Dates*. All potential risk activities should be clearly indicated on the critical path.
- Every activity on the programme will be clearly linked to labour resources and equipment required to perform the specific activity.
- Projected weekly progress on *site* for the entire duration of the contract.
- Completion and hand-over *Dates* for formal inspection by the site supervisor must be indicated.

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- A column showing the daily tempo of all the construction activities must be indicated next to the activity on the programme.
- Project expenditure on a monthly basis for the entire duration of the contract.
- The following project phases and activities are minimum requirements for the programme:
 - Site Establishment and Material Delivery – Lead times to be specified.
 - Preparation work – Work that can be completed without the necessity of power outages
 - Outage work – Work that must be completed under outage conditions
 - Planned outages to be included in the programme
 - *Contractors* float to be included in the programme
- The Contract Program will be on display in the *Contractors Site Offices* and will be updated weekly. In addition to the maintaining of this programme, the *Contractor* will report progress to the *Project Manager* at each site meeting or at request of the *Project Manager*.
- The *Contractor* shall also provide an organisation chart showing the personnel to be employed for the *works*, along with a detailed CV of all key personnel.
- Should any deviations to the program be found the *Contractor* shall submit a revised program to the *Project Manager* within one week of such deviations being brought to the *Contractor's* attention.
- The Outages must be arranged with *Employer* via the Outage arrangement procedures, as a prerequisite for the acceptance of the programme by the *Project Manager*.
- Acceptance of any program by the *Project Manager* shall have no contractual status other than an indication that the *Project Manager* is satisfied as to the order in which the work is to be carried out, and that the *Contractor* undertakes to perform all work in accordance with the accepted program.

The *Project Manager* retains the right to alter the accepted program should circumstances on *site* necessitate such a change.

OTHER INFORMATION TO BE SHOWN ON THE PROGRAM.

The following Statutory non-working days are included within the contract period:

- All Public Holidays for the duration of the contract.
- The programme must clearly indicate the non-working days for the entire construction period.

2.7. Contractor's Management, Supervision and Key People

The *Contractor* is to submit an organogram showing all key people involved in the contract 7 days after contract award. All key personnel must be appointed in writing, must be current for the specific site and area of work and must be kept on file. This would be essential if the *Contractor* is a Joint Venture.

2.8. Invoicing and payment

Within one week of receiving a payment certificate from the *Project 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 *Project Manager's* payment certificate.

The *Contractor* shall address the tax invoice to:

**Eskom Holdings SOC Limited
NORTH WEST Operating Unit**

And include on each invoice the following information:

- Name and address of the *Contractor* and the *Project 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;

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- Total amount invoiced excluding VAT, the VAT and the invoiced amount including VAT.

2.8.1. Procedures for Invoice Submission and Payment (e. g. Electronic Payment Instructions)

General Information	X
- No Pro-forma Invoice	
- Check Vendor number against the Address and name on Tax invoice	
- Insert the Vendor number on Tax invoice (Top right hand corner)	
- Bank details must be on the invoice or on a attach sheet, but it does not require a bank stamp just a letter)	
- Check banking details on invoice against SAP system. If more than one banking account check bank account against banking details on invoice. If banking details not on invoice, write the bank code next to the vendor account (bank code 0002)	
- Check Vendor VAT number against the vendor master. (FK03) If VAT number not on master records, prepare a list and forward to Vendor Management to check and update the vendor master records	
- No fax copies of Tax invoices allowed	
- No copies of Tax invoices allowed unless originally printed by the Vendor if a photocopy tax invoice, it must be an original "certified copy" (i.e. not a copy of a "certified copy" invoice) from the vendor and check in system if not previously be paid. Put stamp "not previously paid" on invoice and sign.	
- Ensure that date received stamp is clear on invoice	
- Stamp all Invoices with the Vat stamp, complete and sign (only when VAT is applicable)	
- The stamp should not be stamped over any written information	
- When scanning invoice, check the quality before linking in SAP (inboxes)	
With Reference Invoices	X
- Goods receipt must be done (payment with reference)	
- Ensure that the SAP purchase order number is clear and correct on the invoice	
- GR number to be written on the Invoices	
- If multiple lines on invoice write the line number of the order against the line to ensure that the processors match the correct lines (to ensure that 191100 is matched correctly)	

2.9. Insurance provided by the Employer

As stated for "Format Dx" available from 01 April 2015 to 31 March 2016 on http://www.eskom.co.za/Tenders/InsurancePoliciesProcedures/Pages/EIMS_Policies.aspx (See Annexure B for basic guidance). Contact any of the Insurance Advisors from ESCAP.

2.10. Training workshops and technology transfer

The obligation for technology transfer being included as part of this contract on Completion of the Works is to train Eskom Staff and/or other Contractors on the use of the access control and remote monitoring system, secure kiosks installation and commissioning, as well as training on maintenance of the secure meter kiosks.

3.Engineering and the Contractor’s design

3.1. Employer’s design

The Employer will supply Contractor with a final design document compiled by the Project Engineer detailing the scope of work to be executed on the project as well as Project Drawings.

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3.2. As-built drawings, operating manuals and maintenance schedules

The *Contractor* is required to provide the necessary drawings, operating manuals, test certificates and training program details, as well as a commitment letter for providing ongoing product support.

4. Procurement

a. Subcontracting

All subcontracting should be in line with NEC 3 terms and conditions of the contract and subject to acceptance by the Purchaser.

As per the SDL&I Objectives in line with implementing RDP Goals, sub-contracting is included in the contract to develop the local SMME's, and to maintain Project Stability as well as to meet Project time lines. (This engagement will remedy the community disruptions and uncontrollable work stoppages which threaten Eskom's safety requirements and infrastructure).

Where feasible, sub-contracting will be done with the following companies local to the project site:

- a) Black People with Disabilities
- b) Black Youth Owned
- c) Black Women Owned
- d) Black Owned
- e) A co-operative which is at least 51% owned by black people
- f) An EME/QSE which is at least owned by black people who are military veterans.

The subcontracting targets guides may be set as follows:

Project Value (Including VAT) Subcontracting Target Below R10 million (project <R10 million) Contractor to propose

Between R10 million and under R20 million ($R10M \leq \text{project} < R20M$) 10% to 15%

Between R20 million and Under R30 million ($R20M \leq \text{project} < R30M$) 20%

R30 million and above (Project $\geq R30M$) 30%

b. Other requirements related to procurement

1. BBBEE requirements: Tenderers are required at a minimum to maintain their BBBEE status over the contract term.

2. Jobs. Tenderers are required to submit proposals for the type and number of jobs that will be created and retained in South Africa as a direct result of being awarded a contract.

Skills development targets will be applied as per set RDP goals listed below:

1. Skills Development

Successful tenderers will be required to participate in skills development for the duration of the contract as indicated below: This will be a contractual obligation.

Job creation targets will be applied. Contractors will be required to propose the job creation targets.

Job creation

The tenderer to report on the number of jobs created and retained as a result of this contract. The information and supporting document to be submitted in the monthly SD & L report. Tenderer to propose the jobs to be created. Tenderers to indicate minimum number of jobs to be created for the contract duration:

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Type of Jobs to be created	Eskom minimum target	Tenderer’s proposal
Number of Jobs to be created	Minimum 30 unskilled labourers per contractor	
Number of Jobs to be retained	Not set	

The employment (Jobs created) shall comply with the Employment Equity Act and represent the demographics of the Local to site communities.

c. Skills development

Tenderers are required to submit proposals in a table below for developing the skills of unemployed candidates in the country. Skills development is intended to address Eskom’s core, scarce and critical skills. These skills are also included in a 2020 list of occupations in high demand as stipulated in the Government Gazette 43937. Candidates shall be from Northern Cape and North West provinces, and their composition shall be representative of the population demographics of South Africa.

Skill type / Occupation	Eskom target 1 candidate per R2 Million accumulated through task order	Proposed Number of Candidates
Candidates Basic hand tools course and Electrical theory; including First Aid Levels 1 to 2	1	
Truck mounted crane operator	1	
Hazard identification and Risk Assessment (HIRA)	1	

The process of developing these skills shall involve the participation by tenderers directly and through its supply network. In certain cases, the SETA’s accredited training providers can be approached to participate in developing critical and scarce skills.

Note: Suppliers are required to take full responsibility for the total cost of developing the requisite skills, and Eskom shall not make any financial contribution towards the fulfilment of this obligation. Tenderers also are advised to approach its relevant SETAs to access grants, subsidies and incentives as well as South African Revenue Services for tax rebates that are earmarked for skills development initiatives.

d. Enterprise or Supplier Development

Offer financial or non-financial assistance to a small business or NGO based local to site (North West and/or Northern Cape Province).

e. Reporting and Monitoring

- The suppliers shall on a monthly/quarterly basis submit a report to Eskom in accordance with Data Collection Template on their compliance with the SDL&I obligations described above.
- Eskom shall review the SDL&I reports submitted by the suppliers within 60 (sixty) days of receipt of the reports and notify the suppliers in writing if their SDL&I obligations have not been met.

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- Upon notification by Eskom that the suppliers have not met their SDL&I obligations, the suppliers shall be required to implement corrective measures to meet those SDL&I obligations before the commencement of the following report, failing which Retention clauses shall be invoked.

4.3. Plant and Materials

4.3.1. Quality

The *Contractor* shall control his activities and processes in accordance with Eskom's Quality Requirements for Procurement of Assets, Goods & Services, QM-58 and ISO-9001.

4.3.2. Contractor's procurement of Plant and Materials

The *Employer* requires warranties from the *Contractor* to be in favour of the *Employer* and not just to the *Contractor* during the life of the contract.

4.4. Tests and inspections before delivery

All materials shall be regularly tested at the manufacturers' factories. The *Contractor* shall make sure that regular quality control tests are carried out to ensure that good quality of the materials is maintained.

5. Construction

5.1. Completion, testing, commissioning and correction of Defects

5.1.1. Work to be done by the Completion Date

On or before the Completion Date the *Contractor* shall have done everything required to Provide the Works except for the work listed below which may be done after the Completion Date but in any case before the dates stated. The *Project Manager* cannot certify Completion until all the work except that listed below has been done and is also free of Defects which would have, in his opinion, prevented the *Employer* from using the *works* and others from doing their work.

5.1.2. Use of the *works* before Completion has been certified

The *Contractor* will have to carry out the supervision of the installations, as per the instruction of the *Project Manager*.

5.1.3. Materials facilities and samples for tests and inspections

From time to time random sample test and inspections may be requested, to ensure good quality of the goods being supplied.

5.1.4. Commissioning

Commissioning is to be done before or after Completion depending on the Programme from the *Project Manager*.

5.1.5. Start-up procedures required to put the *works* into operation

In order to put the *works* into operation the *Project Manager* may require the *Contractor* to either do this for him or be in attendance whilst he does it, depending on who is the responsible person.

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5.1.6. Take over procedures

Take-over is after or at the same time as Completion. The *Contractor* is to arrange an inspection before completion of the installation to inspect and identify any outstanding or any defects. The *Project Manager* may require the *Contractor* to provide assistance, on an as and when required basis.

5.1.7. Access given by the *Employer* for correction of Defects

The *Project Manager* arranges access for the *Contractor* to use a part of the *works* which has been taken over if needed to correct any Defects. After the *works* have been put into operation, the *Employer* may require the *Contractor* to undertake certain procedures before such access can be granted. The *Contractor* will be responsible for ensuring that the area to be worked in is barricaded before correcting any defects.

5.1.8. Performance tests after Completion

The *Contractor* to demonstrate that the *works* can operate as guaranteed by the *Contractor* (in *Contractor's* Works Information) or specified by the *Employer* either here or elsewhere in this Works Information.

5.1.9. Training and technology transfer

The *Employer* requires the *Contractor* to provide training on the use of the access control or any associated transfer of technology from him to the *Employer*.

5.1.10. Operational maintenance after Completion

The *Employer* may require the *Contractor* before the *defects date* to perform certain duties after Completion and take over which relate to maintenance of the *works*.

6. List of drawings

6.1. Drawings issued by the *Employer*

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

Note: Some drawings may contain both Works Information and Site Information, a full list of drawings will be detailed in the Project Specific Agreement.

Drawing number	Revision	Title
		Design drawings (will be submitted with Project Specific Agreement)

List of some of the applicable standards

List and attach all standard specifications and other documentation applicable to this contract. Publicly available standard documents should not be attached as they can be obtained directly from the respective publishers.
 Note: Revision no of Specifications/Standards to be confirmed by all parties prior to the awarding of the contract.

No.	Rev.	Title and Publisher	Attached
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			Y/N
SCSASABK3	0	Distribution Standard Part 7: Substation Section 2. Generic Substation Design.	N
SANS 1700-7-3 AND 5-14-3	1991	ISO metric bolts, screws and nuts (hexagon and square) (course thread free fit series) - SANS	N
SANS 0198-1	1988	The selection, handling and installation of electrical power cables of rating not exceeding 33kV - SANS	N
ISO 1461	1988	Hot-dip (galvanised) zinc coatings (other than on continuously zinc-coated sheet and wire) - SANS	N
SANS 1186	1993	Symbolic safety signs - SANS	N
SANS 1200-A	-	Standard specification for civil engineering construction - SABS	N
0.54/393	-	Earthing Standard - Eskom	N
TRR/S92/034/gm	-	Guidelines for weed eradication in Eskom substations using herbicides - Eskom	N
TRMASAAJ7	1	Earthing of transmission line towers - Eskom	N
ESKASAA0	0	Standard for labelling of high voltage equipment - Eskom	N
SCSSCAA09	2	Specification for labels on control panels, relay panels and other indoor and outdoor equipment - Eskom	N
TRMSCAAC5	3	Design and manufacture of high voltage equipment labels - Eskom	N
ESKPBAAD6	1	Eskom's environmental management policy - Eskom	N
SCSSCAA05	-	Specification for high voltage equipment labels - Eskom	N
SCSASAAA0	2	Passive Fire Protection - Eskom	N
ESKASAA0	-	Safe use of pesticides and Herbicides - Eskom	N
SCSASABK3	0	Generic Substation Design	N
ESKASAA04	-	Standard for electronic protection and fault monitoring equipment for power systems - Eskom	N
SCSAGAAH6	2	Design guide: Standard design for distribution protection scheme-Eskom	N
ESKPVAAZ1	0	Environmental Management Plan Procedure-Eskom	N
ESKASAAU7	0	Quality requirements for the procurement of assets, goods and services - Eskom	N
SCSASAAQ1	1	Quality control process for the checking of distribution substation construction before handing over for commercial operation - Eskom	N
SCSSCAA15	1	Specific requirements for voltage transformers in accordance with NRS 030 up to and including 132kV - Eskom	N
ESKSCAAD1	2	Specification for combined three-phase neutral electromagnetic couplers (NEC's) with neutral earthing resistors (NER's) and auxiliary power transformers - Eskom	N
SCSSCAA00	-	Specification for station class metal-oxide surge without spark gaps - Eskom	N
SCSSCAA03	1	Specification for large power transformers up to 132kV, in the rating range of 2,5MVA to 80MVA - Eskom	N
SCSASAAP9	1	Distribution Standards – Part 7, Substations, Section 1 : Industrial Substations, 132/88kV to 33/22kV, 40MVA to 320MVA - Eskom	N

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C3.3 Specifications

Title	Date or revision
Occupational health and safety standard for contractors and subcontractors working for Eskom	DISPVABF3
Procedure for refusal to work on grounds of health and safety	SCSPVABP6 REV 0
Contractor health and safety plan – to be completed and submitted at tender stage	
Construction, safety, health and environment management in Eskom	EPC 32-136 REV0
Acknowledgement of occupational health and safety standard for contractors and subcontractors working for Eskom	
Government occupational health and safety act – construction regulations	PUBLICLY AVAILABLE
Training, testing and authorization of persons for the operation and maintenance of the power system	SCSPVABN2
The training logbooks for authorization of persons for high-voltage	SCSAMAAE5 REV 1
Procedure to follow when the integrity of earth continuity conductors connecting apparatus to the earthmat suspect	SCSPVABFO REV 0
Identifying, analysing, documenting and observing dangerous / hazardous tasks	SCSPVACKO REV 0
Reporting, recording and investigation of incidents	ESKPVABN9 REV 1
Procedure for barricading	SCSPVABF4 REV 0
Standard for the control and applications of master locks and issue of master keys	SCSASAAU1 REV 0
Routine inspections of electrical equipment	SCSASABA8 REV 0
Clearing and maintenance of servitude routes for the operation and maintenance of the power system	SCSPVABN2 REV 0
Standard applicable to contractors working in close proximity of Dead apparatus	SCSASAAW8 REV 1
Procedure for the identification of risk prior to the commencement of work	SCSPVABB2 REV 1
Standards for the use of equipotent earth footplates	SCSASAAU5 REV 0
MV and LV pole identification	SCSASABZ5
Business conduct policy and guidelines	ESKPBAAN4 REV1
Local standard for the operating of high cutter / chain saw	NETOM7 REV 0
Relevant standards as listed in the document called the design document	
Procedure for the reporting ,investigation ,costing and follow up on incidences \accidents	DPC -34-350
Environmental liaison committee (elc) performance indicator reporting process	EPC -32 -249
Safety ,health and environmental policy	EPL 32-94

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PART 4: SITE INFORMATION

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C4.1 SITE INFORMATION

Core clause 11.2(16) states

“Site Information is information which

Describes the Site and its surroundings and is in the documents which the Contract Data states it is in.”

In Contract Data, reference has been made to this Part 4 of the contract for the location of Site Information.

General description

All relevant descriptions will be specified in the Project Specific Agreement for any project executed in terms of this contract.

Existing buildings, structures, and plant & machinery on the Site

All relevant information will be specified in the Project Specific Agreement for any project executed in terms of this contract.

Subsoil information

All relevant information will be specified in the Project Specific Agreement for any project executed in terms of this contract.

Hidden services

All relevant information will be specified in the Project Specific Agreement for any project executed in terms of this contract.

Other reports and publicly available information

All relevant information will be specified in the Project Specific Agreement for any project executed in terms of this contract.

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ANNEXURES

1. PROJECT SPECIFIC AGREEMENT TEMPLATE



Project Specific
Agreement NWOU Dx