



NEC3 Framework Contract

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

and

for **Pre-qualification of the original equipment manufacturers (OEM's) for the design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various clusters within the Distribution on an 'as and when' required basis for a period of twelve (12) months.**

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CONTRACT No.

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:

THE DESIGN, MANUFACTURE AND TESTING EX-WORKS OF VARIOUS TYPES OF POLE TOP AND GROUND MOUNTED TRANSFORMERS FOR VARIOUS CLUSTERS WITHIN THE DISTRIBUTION DIVISION FOR A PERIOD OF TWELVE (12) MONTHS 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.

The offered total of the Prices exclusive of VAT is	RATES BASED AS PER BOQ
Value Added Tax @ 15% is	RATES BASED AS PER BOQ
The offered total of the amount due inclusive of VAT is ¹	RATES BASED AS PER BOQ
(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 is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

Acceptance

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

The terms of the contract, are contained in:

- Part C1 Contract Data, (which includes this Form of Offer and Acceptance)
- Part C2 Pricing Data
- Part C3 Scope of Work: Framework Information
- Part C4 *Selection and Quotation* Procedure

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

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

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

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

Unless the tenderer (now *Contractor*) within five working days of the date of such receipt notifies the Employer in writing of any reason why he cannot accept the contents of this agreement, this agreement shall constitute a binding contract between the Parties.

Signature(s)

Name(s) _____
Capacity _____

**for the
Employer**

Name & signature of witness _____ Date _____

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

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

Note:

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

No.	Subject	Details
1		
2		
3		
4		
5		
6		
7		

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

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

For the tenderer:

For the Employer

Signature Name Capacity On behalf of Name & signature of witness Date Nosipho Manyonga Senior Manager Asset Creation: Cape Coastal Cluster EC ESKOM HOLDINGS SOC LIMITED, Sunilaws Office Park, Beacon Bay EAST LONDON, 5205
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C1.2 ECC3 Contract Data

Part one - Data provided by the *Employer*

Clause	Statement	Data
1	General	
	The <i>conditions of contract</i> are the core clauses and the clauses for main Option	
	dispute resolution Option and secondary Options	B: Priced contract with bill of quantities W1: Dispute resolution procedure X1: Price adjustment for inflation X2: Changes in the law X5: Sectional Completion X7: Delay damages X16: Retention X18: Limitation of liability Z: Additional conditions of contract
	of the NEC3 Engineering and Construction Contract, April 2013 (ECC3)	
10.1	The <i>Employer</i> is (Name): Address	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
10.1	The <i>Project Manager</i> is: (Name) Address Tel Fax e-mail	The Deligated (DCF) Project Manager for a particular project.
10.1	The <i>Supervisor</i> is: (Name) Address	The supervisor will be the Clerk of Works appointed for a particular project.

Tel No.

Fax No.

e-mail

11.2(3)	The Work Package are	The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months	
11.2(15)	The <i>boundaries of the site</i> are	All projects to be executed in terms of this contract will be executed at various sites within the Cape Coastal Cluster - Eastern Cape.	
11.2(16)	The Site Information is in	Part 4: Site Information of this contract.	
11.2(2)	The Framework Information is in	Part 3: Work Package and all documents and drawings to which it makes reference, in terms of this contract.	
12.2	The <i>law of the contract</i> is the law of	the Republic of South Africa	
13.1	The <i>language of this contract</i> is	English	
13.3	The <i>period for reply</i> is	One (1)week	
2	The Contractor's main responsibilities	Data required by this section of the core clauses is provided by the Contractor in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.	
3	Time		
11.2(3)	The <i>completion date</i> for the whole of the works is	TBA	
11.2(9)	The <i>key dates</i> and the <i>conditions</i> to be met are:	Condition to be met	key date
		1 TBA	[•]
30.1	The <i>access dates</i> are:	Part of the Site	Date
		1 TBA	[•]
31.1	The Contractor is to submit a first programme for acceptance within	2 (two) weeks of the Contract Date.	
31.2	The <i>starting date</i> is	TBA	
32.2	The Contractor submits revised programmes at intervals no longer than	2 (two) weeks	
35.1	The Employer is not willing to take over the works 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 works per project or section thereof if sectional completion is applicable.	

43.2 The *defect correction period* is **1 (one) weeks upon notification of defect**

5 Payment

50.1 The *assessment interval* is **Period agreed upon by *Project Manager* and *Contractor* from the *Starting Date*.**

51.1 The *currency of this contract* is the **South African Rand.**

51.2 The period within which payments are made is **For contracts valued below R50 000 000 (Fifty Million Rand) including VAT, Eskom is committed to paying Suppliers within 30 days of receipt of undisputed invoices. For contracts valued above R50 000 000 (Fifty Million Rand) including VAT, Eskom is committed to paying suppliers within 60 days of receipt of undisputed invoices.**

51.4 The *interest rate* 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**

(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption “Money Rates” in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted *mutatis mutandis* every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.

6 Compensation events

60.1(13) The place where weather is to be recorded is: **At the established Site Camp/ Office Area**

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

calendar month

The *weather measurements* are supplied by

The contractor using actual weather readings from the established site

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

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

and which are available from:

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.
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8 Risks and insurance

80.1	These are additional <i>Employer's</i> risks	<ul style="list-style-type: none"> 1. Inclement weather 2. Resident Complaints 3. Theft and vandalism 4. Political Unrest 5. Local Business Forum 6. Community Unrest 7. Disaster Management
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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.
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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).
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Address	TO BE APPOINTED WHEN DISPUTE ARISE
Tel No.	[•]
Fax No.	[•]

e-mail

[•]

W1.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the 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	TBA
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	of the Association of Arbitrators (Southern Africa) or its successor body.

12 Data for secondary Option clauses

X1	Price adjustment for inflation		
X1.1(a)	The <i>base date</i> for indices is	1 month prior to Tender Closing Date	
X1.1(c)	The proportions used to calculate the Price Adjustment Factor are:	propor tion	linked to index for
		0. 65 (65%)	Labour (Table C-3a for labour rates)
		0. 20 (20%)	Transport (Table L-2 for road freight costs)
		0.15 (15%)	non-adjustable
	Total	1.00	Index prepared by
			SIEFSA
			SIEFSA
	The prices will be fixed and firm rates for the first 12 months of the contract. At the anniversary date of the contract the prices will be adjusted by Contracts Management team for inflation using CPA. The relevant publications to be used are published by the SIEFSA.		
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	Sectional Completion		
X5.1	The <i>completion date</i> for each <i>section</i> of the <i>works</i> is:	Seccio n	Description
			Completion date

		1	TBA	[•]
X5 & X7	Sectional Completion and delay damages used together			
X7.1 X5.1	Delay damages for late Completion of the <i>sections</i> of the <i>works</i> are:	<i>section</i> 1	Description TBA	Amount per day R[•] R[•]
	Remainder of the <i>works</i>			R[•]
	The total delay damages payable by the <i>Contractor</i> does not exceed:	R [•]		
X7	Delay damages (but not if Option X5 is also used)			
X7.1	Delay damages for Completion of the whole of the <i>works</i> are	0.1% of Contract Value per day. Up to a limit not exceeding 10% of Contract Value		
X16	Retention (not used with Option F)			
X16.1	The <i>retention free amount</i> is	N/A		
	The <i>retention percentage</i> is	N/a		
X18	Limitation of liability			
X18.1	The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to:	R0.0 (zero Rand)		
X18.2	For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to:	the amount of the deductibles relevant to the event		
X18.3	The <i>Contractor's</i> liability for Defects due to his design which are not listed on the Defects Certificate is limited to	The greater of <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 the applicable deductible as at contract date. 		
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:	the total of the Prices other than for the additional excluded matters. The <i>Contractor's</i> total liability for the additional excluded matters is not limited. The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for <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 *works*, Plant and Materials),
- death of or injury to a person and
- infringement of an intellectual property right.

X18.5 The *end of liability date* is

(i) **Seven** years after the *defects date* for latent Defects and

(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.

A latent Defect is a Defect which would not have been discovered on reasonable inspection by the *Employer* or the *Supervisor* before the *defects date*, without requiring any inspection not ordinarily carried out by the *Employer* or the *Supervisor* during that period. 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 to Z15 always apply.

Z1 Cession delegation and assignment

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

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

Z2 Joint ventures

Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.

Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Project Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.

Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Project Manager* within thirty days of the notification or as otherwise instructed by the *Project Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Works.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P3 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

Z4 Confidentiality

- Z4.1 The *Contractor* does not disclose or make any information arising from or in connection with this contract available to Others. This undertaking does not, however, apply to information which at the time of disclosure or thereafter, without default on the part of the *Contractor*, enters the public domain or to information which was already in the possession of the *Contractor* at the time of disclosure (evidenced by written records in existence at that time). Should the *Contractor* disclose information to Others in terms of clause 25.1, the *Contractor* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Contractor* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Project Manager*.
- Z4.3 In the event that the *Contractor* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Contractor*, to the extent permitted by law prior to disclosure, notifies the *Employer* so that an appropriate protection order and/or any other action can be taken if possible, prior to any disclosure. In the event that such protective order is not, or cannot, be obtained, then the *Contractor* may disclose that portion of the information which it is required to be disclosed by law and uses reasonable efforts to obtain assurances that confidential treatment will be afforded to the information so disclosed.
- Z4.4 The taking of images (whether photographs, video footage or otherwise) of the *works* or any portion thereof, in the course of Providing the Works and after Completion, requires the prior written consent of the *Project Manager*. All rights in and to all such images vests exclusively in the *Employer*.
- Z4.5 The *Contractor* ensures that all his subcontractors abide by the undertakings in this clause.

Z5 Waiver and estoppel: Add to core clause 12.3:

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Project Manager*, the *Supervisor*, or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

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

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *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.

Z6.2 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.

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

Z7.1 Within one week of receiving a payment certificate from the *Project Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer's* procedures stated in the Works Information, showing the amount due for payment equal to that stated in the payment certificate.

Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.

Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer's* VAT number 4740101508 on each invoice he submits for payment.

Z8 Notifying compensation events

Z8.1 Delete from the last sentence in core clause 61.3, "unless the *Project Manager* should have notified the event to the *Contractor* but did not".

Z9 Employer's limitation of liability

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

Z9.2 The *Contractor's* entitlement under the indemnity in 83.1 is provided for in 60.1(14) and the *Employer's* liability under the indemnity is limited.

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

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

Z11 Addition to secondary Option X7 Delay damages (if applicable in this contract)

Z11.1 If the amount due for the *Contractor's* payment of delay damages reaches the limits stated in

this Contract Data for Option X7 or Options X5 and X7 used together, the *Employer* may terminate the *Contractor's* obligation to Provide the Works using the same procedures and payment on termination as those applied for reasons R1 to R15 or R18 stated in the Termination Table.

Z12 Ethics

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

- Affected Party** means, as the context requires, any party, irrespective of whether it is the *Contractor* or a third party, such party's employees, agents, or Subcontractors or Subcontractor's employees, or any one or more of all of these parties' relatives or friends,
- Coercive Action** means to harm or threaten to harm, directly or indirectly, an Affected Party or the property of an Affected Party, or to otherwise influence or attempt to influence an Affected Party to act unlawfully or illegally,
- Collusive Action** means where two or more parties co-operate to achieve an unlawful or illegal purpose, including to influence an Affected Party to act unlawfully or illegally,
- Committing Party** means, as the context requires, the *Contractor*, or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractor 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.

- Z12.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.
- Z12.2 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.
- Z12.3 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.
- Z12.4 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.

Z13 Insurance

Z 13.1 Replace core clause 84 with the following:

Insurance cover 84

- 84.1 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.
- 84.2 The *Contractor* provides the insurances stated in the Insurance Table A.
- 84.3 The insurances provide cover for events which are at the *Contractor's* risk from the *starting date* until the earlier of Completion and the date of the termination certificate.

INSURANCE TABLE A

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

Z 13.2

Replace core clause 87 with the following:

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

INSURANCE TABLE B

Insurance against or name of policy	Minimum amount of cover or minimum limit of indemnity
Assets All Risk	Per the insurance policy document
Contract Works insurance	Per the insurance policy document

Environmental Liability	Per the insurance policy document
General and Public Liability	Per the insurance policy document
Transportation (Marine)	Per the insurance policy document
Motor Fleet and Mobile Plant	Per the insurance policy document
Terrorism	Per the insurance policy document
Cyber Liability	Per the insurance policy document
Nuclear Material Damage and Business Interruption	Per the insurance policy document
Nuclear Material Damage Terrorism	Per the insurance policy document

Z14 Nuclear Liability

- Z14.1 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.
- Z14.2 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*.
- Z14.3 Subject to clause Z14.4 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 site, without the permission of the *Employer* or of a person acting on behalf of the *Employer*.
- Z14.4 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.
- Z14.5 The protection afforded by the provisions hereof shall be in effect until the KNPS is decommissioned.

Z15 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 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.

Z15.1 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.

Z15.2 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 Z15.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z15.3 The *Employer* manages asbestos and ACM according to the Standard.

Z15.4 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.

Z15.5 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.

Z15.6 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.

Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and

conducted in line with South African legislation.

C1.2 Contract Data

Part two - Data provided by the Contractor

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)¹ 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 <i>Contractor</i> is (Name): Address Tel No. Fax No.	
11.2(8)	The <i>direct fee percentage</i> is The <i>subcontracted fee percentage</i> is	5% 5%
11.2(18)	The <i>working areas</i> are the Site and	
24.1	The <i>Contractor's</i> 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 .

¹ Available from Engineering Contract Strategies Tel 011 803 3008, Fax 011 803 3009 or see www.ecs.co.za

11.2(3)	The <i>completion date</i> for the whole of the <i>works</i> is	TBA		
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	C2.1 The Bill of Quantities		
11.2(31)	The tendered total of the Prices is	RATES BASED AS PER BOQ		
	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:	5% (Only applicable for compensation events)		
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	%		

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

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

Document reference	Title	No of pages
C2.1	Pricing assumptions:	[03]
C2.2	<i>The bill of quantities</i>	[25]

C2.1 Pricing assumptions

1. How work is priced and assessed for payment

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

Identified and defined terms	11	
	11.2	(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.
		(28) The Price for Work Done to Date is the total of <ul style="list-style-type: none">• 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. Completed work is work without Defects which would either delay or be covered by immediately following work.
		(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.

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 specifications and descriptions of the work or any constraints on 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 Guidance Notes before preparing the *bill of quantities* or before entering rates and lump sums into the *bill*.

There is no general provision in Option B for payment for materials on Site before incorporation into the *works*. If secondary Option X14 Advanced payment has not been used then the tendering contractor may obtain the same effect by inserting appropriate items in the method related charges where the *method of measurement* allows, or alternatively making allowance in the rates of the *bill of quantities* for the financing of Plant and Materials until they are incorporated in the *works*.

When compensation events arise, the default position is that the Bill of Quantities is not used to calculate the cost effect of the event. Defined Cost and the resulting Fee is used and Defined Cost includes all components of cost which the *Contractor* is likely to incur, including so called P & G items. Rates and lump sums from the Bill of Quantities, or from any other source, may be used instead of Defined Cost and the Fee only if the *Contractor* and *Project Manager* agree. If they are unable to agree, then Defined Cost

plus Fee is used.

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.

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
sum	Lump sum
t	tonne (1000kg)

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*.
- 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.

4.2.6. A 5 % handling fee is applicable to all material purchased by the contractor

4.2.7. The contractor's offer for supply rates shall be approved by the relevant Quantity Surveyor. These will be fixed for the duration of the *Contract*.

4.3. Departures from the *method of measurement*

4.3.1.

4.4. Amplification of or assumptions about measurement items

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.

4.4.1.

C2.2 Price List

Use this page as a summary page or as a cover page to the *bill of quantities*.

PART 3: FRAMEWORK INFORMATION

Document reference	Title	No of pages
C3.1	This cover page <i>Selection and Quotation Procedure</i>	[01] [19]
	Total number of pages	[20]

C3.1: WORK PACKAGE

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1 Description of works

1.1 Executive overview

Pole top and ground mounted transformers are considered strategic as they are used in the distribution of electricity from the Eskom network to the customer. The environment in which Eskom operates, in terms of the financial climate and the availability of generation capacity, has changed drastically. The subsequent focus on the reduction of technical losses revealed that South Africa's small (distribution) transformers have losses that are amongst the highest in the world. A total review of the management of distribution transformer losses was conducted and research has established the optimal losses that should be specified locally for distribution transformers and this has been incorporated into this strategy.

The objective of the transformer cross functional team is to identify, strategize and to plan value creating opportunities for the optimization of Total Cost of Ownership (TCO) related to the current value chain of procuring transformers over its life-cycle.

In January 2020, Eskom awarded three (3) year contracts to four local OEM's which was based on the introduction of natural ester oil as a replacement for mineral oil. The transition to ester oil and the phasing out of mineral is now complete, and all pole top and ground mounted transformers manufactured from July 2022 are filled with natural ester oils.

Natural ester oils are refined from vegetables such as soya beans and maize which are provided by local agriculture which has had a positive impact on local industrialization and job creation. Natural ester oils also have the following benefits:

- Environmentally friendly: Natural esters are biodegradable, non-water hazardous and carbon neutral.
- Safety: Natural esters have a fire point of 360 Degrees Celcius as opposed to mineral oil which ignites at 150 Degrees Celcius. This considerably reduces the possibility of transformer fires and the associated safety concerns. It also reduces costs associated with consequential damage.
- Improved total costs of ownership: Despite being slightly more expensive than mineral oil per litre, studies show that the total cost of ownership of natural ester oil transformers to be lower than that of mineral oil transformers. This is due to the extension of the life of the insulating paper in the transformer provided by the thermal properties of the natural ester oils.
- Lower No Load Losses: the thermal properties of the ester oil allow for smaller transformers to perform the function of larger mineral oil filled transformers. Smaller transformers have lower no load losses. As a result, there is less wasted energy and reduction in the cost of transferring generated power to the customer. This reduction multiplied across the growing fleet of transformers can result in significant cost reductions with regard to energy costs.
- Lower capital costs: the thermal properties of the ester oil allow for smaller transformers to perform the function of larger mineral oil filled transformers. Smaller transformers have lower capital costs.

The implementation of this strategy will result in the following benefits:

- Standardising on pole top and ground mounted transformers for all distribution division;
- Transformation of existing suppliers in order to improve their B-BBEE status in terms of specific goals set out by SDL&I;
- Creating sustainable competition;
- Volume bundling of requirements for Distribution Division;
- Improving demand planning and forecasting.

A typical transformer layout can be as per figure 1 below:

1.2 Employer's objectives and purpose of the works

Executive overview

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

The project comprises of the maintenance, new connections and customer service to Eskom’s network as specified in the extent of work documents attached to this contract.

The second component of this project comprises of the replacement of poles and crossarms on Eskom’s network as specified in the Scope of works documents attached to this contract.

This project will be carried out on Eskom’s network in the Eastern Cape Operating Unit

Employer’s objectives and purpose of the works

Outline of work required:

The scope of work entails live maintenance of MV and HV systems, repair of faults to the MV and HV systems, operating on the MV and HV networks, live tapping to the network and the replacement of poles and crossarms on the 11kV to 132kV network by means of live work methods In general, the work covered will be comprised of the following:

- The maintenance, new connections and customer service to Eskom’s network
- Maintenance and repairs to the Medium and High voltage system by means of live work methods.
- Wood Pole Replacement on Medium and High voltage system by means of live work methods
- Transport of poles and materiel
- Digging holes (for pole or stay)
- Assembly planting and compacting of Wooden / Concrete poles
- disassemble of Wooden / Concrete poles, backfilling of hole, remove the pole and deliver it to stores
- Assembly phase to phase structures and 3 phase structures
- Replacement of Structures
- Replacement of wood pole only (re-use existing x-arm and hardware), including delivery, pole dressing and planting
- Material buy outs
- New Works

No.	Description	Unit
A	Transport	
	<i>Transport cost to provide material ex-stores to site.</i>	
1	LDV	km
2	Truck 2 - 4 Ton	km
3	Truck 5 - 8 Ton	km
4	9 - 14 Ton	km
5	20 Ton	km
6	Live work Aerial Device	km
7	Crane Truck	km

B	HIRE OF CRANE TRUCK	
1	Hire of Crane Truck per day	p.d
2	Hire of Crane Operator per day	p.d

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

3	Hire of Crane Truck Labourer per day	p.d
4	Live Line Percussion Drill & Ton Truck	km
C	Digging Holes (for pole or stay)	
1	Hand excavation - soft (pick)	e.a
2	Mechanical -pickable (auger)	e.a
3	Mechanical hard - rock (jack hammer)	e.a
4	Mechanical ROCK (drilling rig)	e.a
	<i>Note: Holes to be to dimensions as per ESKOM specification</i>	
D	Wooden / Concrete Poles	
	<i>The assembly portion includes planting and compacting of the pole. The disassemble portion includes backfilling of hole, remove the pole and deliver it to stores.</i>	
1	7m concrete & wood	e.a
2	9 to 11m concrete & wood	e.a
3	12 & 13m concrete & wood	e.a
4	14 & 15m concrete & wood	e.a
5	16 & 18m concrete & wood	e.a
6	20m and up concrete & wood	e.a
E	MV Structures	
	Assembly	
	Phase/phase Structures:	
1	Staggered Verticals, Verticals (strains with all angle deviations and terminals)	e.a
F	3 Phase Structures	
1	Staggered Verticals, Verticals (strains with all angle deviations and terminals)	e.a
G	Miscellaneous	
1	Post Insulator	ea
2	Longrod Insulator	ea
3	Birdflap Diverters	ea
4	Vibration Dampers	ea
5	MV Midspan joint per phase	ea
6	Insulator / Conductor Assembly (all configurations)	ea
7	Top groove Tie	ea
8	Side groove Tie	ea
9	Transformer Mounting	ea
10	Voltage Transformer Mounting	ea
11	Pole Mounted Drop-out fuse	ea
12	Wooden X-arm / pole	ea
13	Wooden X-arm eyebolt - Strain / terminal / suspension	ea
14	Strain / terminal / suspension / take-off assembly	ea
15	Wraptor protector	ea
16	CT/VT Unit - Out of Line	sum
17	CT/VT Unit - Section Links	ea
18	Recloser Installation - Out of Line	sum
19	Link assembly installation	sum

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

20	Steel Cross Arm	ea
21	Steel T-Frame	ea
22	Pole Top Inspection	ea
23	Strain Insulator	ea
24	Pin / Post Insulator	ea
25	Intermediate Insulator	ea
26	Eye Bolts	ea
27	Suspension Clamp	ea
28	Ball Clevis	ea
29	D-Shackle	ea
30	Armor Rod	ea
31	Dead End	ea
32	Socket Tongue	ea
33	Replace Missing or rotten split pin	ea
34	Label as per specification	ea
35	Pole Replacing (excluding transport)	ea
36	Replacement on one leg "H" pole structure	ea
37	Replace H Pole Structure	ea
38	Replace jumpers	ea
39	Sagging repair per span per phase	ea
40	Repair conductor with sleeve	ea
41	Dropout fuse link	ea
42	Lugs	ea
43	Non tension joints	ea
44	T-piece	ea
45	Tension joints	ea
46	Bus bar tee off connection	ea
47	Stringing new lines under energised line (per phase)	ea
48	Stringing new lines over energised line (per phase)	ea
49	Mounting of cross arm 2.4m - 4.5m	ea
50	Mounting of cross arm 7m	ea
51	Construction of closing span	ea
52	Pole dressing	ea
53	Side Ties	ea
54	Bonding Strain and Cross-arms	ea
55	Bonding Poles (including intermediate)	ea
56	Remove arching horns	ea
57	Strut / Stay Wire	ea
58	Guy Grips	ea
59	Spindle	ea
60	Correcting of skew pole (all inclusive)	ea
61	Changing of poles - MV live, LV dead	ea
62	Treatment on Tower footings (No concrete base) - All inclusive except material	ea
63	Treatment on Tower footings (concrete base) - All inclusive except material	ea
64	Installation of labels for Sub-transmission structures	ea

	(all inclusive)	
65	Install LDPE plastic pipe	ea
66	Crimp connections	ea
67	Suspension insulator	ea
68	Check the phase take-off's of single phase networks and mark it up on the SLD	ea
69	Check if cutout is fused or solid and mark it up on the SLD. Correct fusing to SLD	ea
70	Pistol Grips	ea
H	Replacement of MV Structures (entire structure)	
	Includes delivery, dressing and planting of new MV structure complete with x-arm, pole, hardware and stays but excludes excavations	
	Structures: ECOU D-DT as applicable	
1	Single pole structure - all intermediate variations	e.a
2	Single pole strain - all strain variations - complete structure	e.a
3	Double pole (H-pole) intermediate - all intermediate H pole variations - complete structure	e.a
4	Double pole (H-pole) strain - all strain H pole variations - complete structure	e.a
5	Auxilliary structure intermediate (transformer, links etc) - complete structure	e.a
6	Auxilliary structure H pole (Transformer, links etc) - complete structure	e.a
I	Replacement of wood pole only (re-use existing x-arm and hardware)	
	Includes delivery, pole only dressing and planting	
1	Single pole intermediate structure - pole replace only	e.a
2	Single pole strain structure - pole replace only	e.a
3	Double pole (H-pole) intermediate - one leg replace only	e.a
4	Double pole (H-pole) strain - one leg replace only	e.a
5	Auxilliary structure single pole intermediate (transformer, links etc) - pole replace only	e.a
6	Auxilliary structure H pole (Transformer, links etc) - one leg replace only	e.a
J	Miscellaneous	
1	Full length stub to wooden pole (secured at x-arm and pole as per ECOU Standard)	ea
2	Short stub to wooden pole (secured to pole only)	ea
3	Phasing of lines	ea
K	Material buy outs (Actual cost plus mark up %)	
	Must comply with Eastern Cape Operating Unit Guide - latest revision	
1	Material buy outs (Actual cost plus mark up %)	%
L	Compensation and Overtime	
	Activity by 1.5 for Saturdays and 2.0 for Sundays)	
1	Call out fee per team per 24hrs	per 24hrs
2	Standby fee per team per 24 hrs	per 24hrs

M	New Works	
1	Planting white phase take off	ea
2	Planting and binding of intermediate structure into the line	ea
3	Planting and binding of a strain structure into the line	ea
4	Install a X-arm and pull closing span	ea
5	Make jumpers to the main line	ea
6	Convert intermediate structure to a strain structure	ea
7	Create a set of inline links	ea
8	Operating per task order	ea
9	Site Visit	ea
N	MV/LV shared structure	
1	Dismantling & re-connecting LV conductor (open wire) single phase	ea
2	Dismantling & re-connecting LV conductor (open wire) dual phase	ea
3	Dismantling & re-connecting LV conductor (open wire) three phase	ea
4	Dismantling & re-connecting LV conductor (ABC)	ea

2 Selection and Quotation Procedure

The Eskom Project Manager will contact the allocated Contractor and issue the Contractor with the Work Package for the project to be executed. A Project Specific NEC ECC will be issued as well, which will detail all the project specific requirements for execution of the project. The NEC ECC 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 NEC ECC 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 at his own cost (This is not applicable for Type 1 Infills) with the Eskom project representatives and verify the scope of work to be executed contained in the Work 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 Contractor must submit quotation to the Project Manager within (7) seven calendar 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 Eskom has accepted the quotation, the Project Manager will issue the allocated Contractor with a Package Order and NEC ECC for the project. The Project Manager and Contractor will then sign off the Package Order and NEC ECC, then work may then commence on the project.

No work may commence on a project unless the Package Order and NEC ECC for the project has been signed, the Contractor Safety File has been approved by Eskom, the 37(2) agreement 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 NEC ECC has been issued and signed.

After the Package Order and NEC ECC has been signed, the Contractor is to submit the Project Specific Safety File within (7) seven calendar 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 NEC ECC 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 and these hours constitute normal working hours in terms of this contract.

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, equipment and resources dedicated to the project will not be removed from site until there is no use for the intended plant and equipment. No moving of equipment and resources between projects will be allowed without *Project Manager* approval 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.

All excavation activities shall be inclusive of excavation or drilling or blasting, backfilling, compacting and disposal of surplus excavated materials including boulders to a registered dumping site and the Contractor shall retain records of disposal.

2.1 Interpretation and terminology

1.3.1 Abbreviations

The following abbreviations are used in the Works Information:

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

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  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	DST 34-961	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 Hat Specifications 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
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 Set
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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 returnables to the Eskom office that issued this enquiry after complying with the above.

3 Management and Start-up

3.1 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	PM, QS, Site Supervisor, Safety and Environmental Representatives and the Contractor.
Introductory meeting	After safety and environmental files have been assessed and approved.	Site	PM, QS, Site Supervisor, Safety and Environmental Representatives and the Contractor.
Toolbox talk and risk assessment	Daily before work begins.	Site	Contractor and Site Supervisor.
Risk register and compensation events CONCESSIONS	As necessary.	Site	PM, Contractor and Site Supervisor.
Overall contract progress and feedback	On a regular basis as agreed with the Project Team and the Contractor	Site	PM, QS, Contractor, Site Supervisor, and Safety and Environmental Representatives.

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. Instructions given relating to quality of work to be issued by Supervisor (Clerk of works).

3.2 Documentation Control

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

3.3 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.

The Contractor should adhere to the Life Saving Rules at all times.

Due to the importance to save lives' and apparatus of Eskom it is recommended that if the contractor contravene any Life Saving Rules, all work allocated to the contractor will immediately be put on hold until final outcome with investigation. Safety is the combined responsibility of the team and therefore team leader or team must adhere to life saving rules. There are five cardinal rules that may not be broken by the Team Leader and his/her team.

The five Eskom Life Saving Rules are as follows:

Rule 1:*Open, isolated, tests, earth, and bond and/or insulate before touch*

Rule 2:*Hook up at height*

Rule 3:*Buckle Up*

Rule 4*Be Sober*

Rule 5:*Ensure that you have a permit to work*

3.4 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.

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.

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

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 Eastern Cape Operating Unit.

3.5 Quality Assurance Requirements

Quality Assessment Criteria, Forms A and Form B of the QM-58 specification will be selected and completed by Eskom Representative who will identify the applicable *Contractor* quality requirements to be met. Form A and Form B of the QM-58 specification shall be signed by the *Contractor* responding to an Eskom Enquiry.

3.5.1 *Contractor and Subcontractor* Quality Management System Requirements

- The *Contractor* and *Subcontractor* shall have formal Quality Management System in place in accordance with the requirements of the QM-58 specification.
- Such formal system shall consist of the appropriate documentations such as work procedures, work instructions, method statements, work flow documentation etc. as the case may be. This requirement constitutes the most basic Quality Management System requirements.
- Unless specifically excluded in the Quality Assessment Criteria, as per the Level of Quality Requirements (Level 1, 2, 3 or 4). The *Contractor* shall have a fully documented, implemented and maintained Quality Management System that complies with ISO-9001 standard. In the event that the *Contractor* invariably requires the assistance of some *Subcontractor* in order to realise its own supply obligations. The aforementioned requirement applies equally in all cases where any such *Subcontractor's* scope of responsibility includes the provision of any of the following activities viz. Design & Development, Manufacturing, Testing, Storage, Delivery, Installation, Commissioning, and Project Management.
- Unless specifically excluded in Quality Assessment Criteria, such Quality Management System shall carry valid ISO-9001 certification from an accredited certification body, as indicated in the applicable Eskom invitation (This requirement applies equally to both the *Contractor* and any/all manufacturing third party organizations mentioned above).
- Eskom reserves the right to request and perform necessary assessments at *Subcontractor* facilities.
- The *Contractor* shall be responsible for defining the specific quality control elements applicable to the respective *Subcontractor's* scope of work/supply, and ensure that their *Subcontractor(s)* quality programmes support Eskom requirements.
- The *Contractor* shall inform Eskom of any proposed changes to the Quality Management System or staff that will affect the Quality System prior to implementation of these changes.

2.5.2 Quality Plan

The information in this section constitutes the minimum requirements for a Quality Plan:

- All individual products and processes shall have a documented, implemented and maintained Contract Quality Plan and/or Quality Control Plan (Inspection and Test Plan).
- All production and/or service provision shall be carried out in accordance with documented Contract Quality Plan (CQP) and/ or Quality Control Plan (QCP)/ Inspection and Test Plan (ITP).
- The *Contractor* shall plan for the required Quality related activities and interfaces within the *Contractor's* Quality system, in order to demonstrate its ability towards both controlling and meeting specified Eskom requirements

3.5.3 Contract Quality Plan

Contractor shall require *Subcontractors* to submit Contract Quality Plan (CQP) and associated documentation in accordance with requirements of Project Quality Management System processes applicable to *Subcontractor* Scope of Work.

Contractor shall, where applicable based on Scope of Work Criticality, ensure Procurement documents clearly and unambiguously require *Subcontractor* submission of a *Subcontractor* CQP for *Contractor* and Eskom review.

Contractor and *Subcontractor* CQP shall comply with Eskom "Quality Requirements Specifications" and shall be submitted prior to the initial Scope of Work Kick-off or initial Pre-fabrication meeting and prior to commencement of manufacturing, whichever is earlier.

3.5.4 Quality Control Plan

Contractor shall develop and implement processes and procedures which efficiently and effectively monitor, verify and document Quality of Scope of Work deliverables. *Contractor* shall ensure that *Subcontractor* QCP/ITP's are prepared at a level of detail sufficient to address all Quality Control related activities in chronological order, from contract review through materials verification, manufacturing, fabrication, assembly, final testing, documentation, and certification.

Where activities subject to Inspection and Test procedures are to be undertaken by a *Subcontractor*, the QCP/ITP shall make reference to this fact and shall include descriptive details of *Subcontractors* involvement. A separate QCP/ITP shall be required for each *Subcontractor* Scope of Work.

Contractor may authorise use of *Subcontractor* QCP/ITP format providing it is in compliance with the above. *Contractor* shall be ultimately responsible for the development and proper implementation of all *Subcontractor* QCP/ITPs, including those reviewed or developed by *Subcontractors*.

Eskom reserves the right to select witness and hold points within all developed *Subcontractor* QCP/ITPs for Eskom oversight of selected functions and to perform surveillance or audits of the Work.

Contractor shall establish processes and procedures for formal assessment of *Subcontractor* inspection and testing programs. These shall include review of *Subcontractor* inspection reports and other Quality Control documentation. Additional formal assessment of manufacturing, fabrication and assembly facility operations shall be conducted by *Contractor* to ensure continuing suitability, adequacy and effectiveness of the *Subcontractor* inspection and testing programs. Assessment frequency shall be established in consideration of *Subcontractor* Scope of Work, Criticality of Scope of Work deliverables and performance information. Assessment scope and schedule shall be developed in consultation with Eskom.

Mandatory pre-inspection meetings will be convened by Eskom or its Inspection Agency or AIA to be attended by the *Contractor* and *Subcontractors* representatives, including their Quality representatives who will be involved with the Works and records to be kept.

Eskom reserves the right to appoint resident quality inspectors that can be based at the *Contractor* or *Subcontractor's* premises and on site where the work is being performed. The *Contractor* is expected to provide work space at no cost to Eskom, for the inspector as required.

3.6 Programming constraints

A comprehensive and fully detailed programme is to be submitted within 2 (two) weeks of the Contract Date 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*.

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 of the project.
- 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.
- 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 pre-requisite 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.

3.7 *Contractor's* Management, Supervision and Key People

The *Contractor* is to submit an organogram showing all key people involved in the contract 1 (one) week 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.

The *Contractor* is expected to always have a minimum of two different teams per 100 connections and be able to produce a minimum of 200 connections per month:

3.8 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.

Processing of *Contractor* invoice will be dependent on submission of error free Data 3 days after an outage i.e. *Contractor* invoice will not be processed up until Project Data has been submitted and is free of errors after an outage.

The *Contractor* shall address the tax invoice to:

Eskom Holdings SOC Limited
ECOU Operating Unit
Private Bag X1
Beacon Bay
East London
5201

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

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)	

3.9 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.

3.10 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.

4 Engineering and the *Contractor's* design

4.1 *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.

4.2 Equipment required to be included in the *works*

The Contractor shall propose at the start of the project and Project Manager/ Engineer to approve.

4.3 As-built drawings, operating manuals and maintenance schedules

The *Contractor* completes as-built drawings and as-built schedule of quantities per transformer zone handed over as completed. The *Contractor* submits these as-built drawings and as-built schedule of quantities as part of the hand-over documentation in line with the completion dates indicated on the approved construction programme.

Should there be conflict between the specification and drawings, then documentation shall be considered in the order of priority set out below:

- Tender Correspondence/Minutes/Site Instructions
- Approved Sample Line
- Works Information & Final Design Package
- Drawings
- Power Delivery Engineering Standard
- Should the Contractor note any inconsistency between the specification and drawings he shall notify the Project Manager and obtain clarification or instructions prior to collecting and installing materials and plant for the work.

5 Procurement

5.1 People

5.1.1 Minimum requirements of people employed on the Site

Extended Public Works Programme (EPWP) shall be applicable on all projects. The EPWP report template is included as supporting documentation and forms part of this Contract.

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months

To be compiled by the Contractor:

- Base indicators to be collated on all EPWP projects (Table 1)

Table 1: Base indicators to be collected on all EPWP projects

B1 Number	Project level Indicator to be used in monitoring system	Comments
1	Number of people ("Different warm bodies") employed on relevant project	Will be assumed to be equivalent to number of job opportunities created. Will measure the number of people to benefit directly from the EPWP
2	Person-days of employment created	Total number of person days created will be divided by 230 to convert to person years of employment created
3	Minimum wage rate	Since local public bodies may set the wage rate as part of the EPWP to wage rate on a particular project will need to be reported
4	Number of training days provided	Since all workers are entitled to training it is important to ensure that actual training is delivered
5	Overall spending on the project	Will give an indication of how much is actually spent on EPWP projects
6	Demographics of workers on EPWP Projects	The percentages of women, youth and disabled to be reported on.

- KPI to be used for the EPWP (Table 2)

Table 2: KPI's to be used for the EPWP

KPI	KPI	Method for calculation	Comment
1	Number of Job opportunities created	Assumed to be equal to number of warm bodies employed per project	Will give an indication as to how many unemployed people benefit directly from the EPWP
2	Person years of employment created	Divide the total number of person days of all projects by 230 (Agreed upon number of person days of employment per year)	Indicator that shows the equivalent number of full-time jobs created
3	Number of training days provided	Total sum from all projects	Measure total amount of training provided
4	Overall spending on EPWP projects	Total sum from all projects	Measure total government spending on the EPWP
5	Demographics of workers on EPWP projects	Total sums of the project totals of women, youth and disabled employed	Measures the demographics of the people benefiting from the EPWP
6	Average length of employment created	Divide person years of employment created (KPI 2) by number of job opportunities (KPI 1)	Also allows comparison between sectors and types of projects
7	Total income paid out to previously unemployed workers	Multiply number of person-days (BI 2) by the minimum wage (BI 3)	
8	Average income of EPWP worker	Divide Total income (KPI 6) by Number of job opportunities (KPI1)	
9	Average duration of training provided	Divide total number of training days (KPI 3) by number of job opportunities (KPI 1)	Provides an indication of the level of skills build in the programme
10	Percentage of spending paid out to EPWP workers	Divide total income paid out (KPI 6) by Overall spending on EPWP (KPI 4)	Measure the labour intensity of the EPWP

5.1.2 Supplier Development and Localisation

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An SD&L Compliance Matrix for the development of skills and/or the promotion of localised content applicable to the scope of work shall be provided at tender stage. Regular reporting on a monthly basis must be done and handed to the project manager to report on progress of compliance to the targets agreed upon at contract stage. This report must be handed over to the Project Manager on a monthly basis when submitting the assessment claim for payment.

5.1.3 Expanded Public Work Programme (EPWP)

- The *Contractor* must report all local/temporary labourers employed in a project
- The *Contractor* MUST submit a report on a monthly basis
- The *Contractor* must NOT wait until the end of a project in order to submit reports
- The *contractor* must submit the REV 7 report together with the assessment claim for payment.
- The *contractor* is responsible for assisting ESKOM in reporting all work done.
- Eskom's report feeds back to Parliament and non-reporting of *contractors* affects this report.
- No payment will be certified without the required report being submitted.

5.1.4 Lost Time Injury Report (LTIR)

- The *Contractor* must submit this report monthly with each payment assessment claim
- No payment will be certified unless this report is submitted.

5.2 Subcontracting

5.2.1 Preferred subcontractors

The *Contractor* to submit the names of each proposed subcontractor to the *Employer* for acceptance. The *Contractor* does not appoint a subcontractor until the *Employer* has accepted such subcontractor.

5.2.2 Subcontract documentation, and assessment of subcontract tenders

The *Contractor* to indicate the percentage of subcontracting, the proposed subcontractors together with their BBBEE statuses, and the sources of assets, goods or services when local content and production criteria are applicable. The proposed target will form part of the contractual obligation. The NEC system is compulsory for all subcontract documentation.

5.2.3 Limitations on subcontracting

The *Contractor* is not allowed to sub-contract more than 25% of the contract to another enterprise/supplier that does not have equal or higher BBBEE status, unless the intended subcontractor is an EME that has the capability and ability to execute the sub-contract, in order to claim the points for BBBEE.

5.2.4 Attendance on subcontractors

The *Contractor* is responsible for performing on the provided scope of work as if he had not subcontracted. The appointed *Contractor* will also be liable to the *Subcontractors'* employees, as he legally and liable to this contract.

5.3 Plant and Materials

5.3.1 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.

All materials shall be new and of the best quality and shall conform to the requirements of the Eskom Buyers Guide (Eskom Distribution Standard Part 9). With regards to the material supply chain, the approved

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months materials manufacturer and marking requirements shall be set out on a schedule and approved before construction.

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

The following Big five (5) materials will be supplied by Eskom ("Free issue"):

- 1) Transformers (Pole-mounted and other),
- 2) Poles,
- 3) Meters and Bases,
- 4) Conductors and Cables,
- 5) Airdac.

Please note the contractor is accountable for all the material for the Project.

Materials supplied by Eskom, will be delivered to Contractor Site.

The Delivery Driver and the Contractor shall sign the Goods Issue Document at delivery date as a declaration that;

- The quantities are correct as specified on the Good Issue Document
- The quality of material is acceptable
- Any discrepancies found shall be noted in the remarks column and co-signed by the Dispatch Controller and the Contractor

Refer to the following link for Standards:

<http://tescod.eskom.co.za/prto9BG/BUYERS GUIDE 3000.htm>

<http://tescod.eskom.co.za/prto9BG/BUYERS GUIDE 2000.htm>

<http://tescod.eskom.co.za/prt09BG/BUYERS GUIDE 0000.htm>

5.3.3 *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.

All material is to comply with the **latest** Eskom Approved Manufacturer's List as published in the Southern Region by the Eskom T&Q Department. Any non-standard material items are to be approved by Eskom Holdings Limited before use on the project. Acceptance sampling is to be carried out on receipt of material on site in order to inspect the outward condition of the material item.

In exceptional cases which require materials and/or techniques which are not contemplated in the various Distribution standards shall be approved by the nominated **NED Manager, Elliot Ntaka, Phone No: 043-703 2548**. The written approval shall be submitted together with the tender.

The *Contractor* will be required to arrange a material sample inspection on site according to the requirements supplied by the PE. At this inspection materials will be recorded and approved per item by the PE, the Eskom PES and the T&Q Department.

5.3.4 Spares and consumables

All hardware to be supplied by *Contractor* is to be as per Eskom Standards limited to Eskom's approval. All hardware and cost thereof shall be within the mandate that has been Eskom approved.

5.4 Tests and inspections before delivery

The *Contractor* is required to confirm, that for contractor supplied material, at the time of purchase, materials comply to Eskom specifications and that the relevant test certification is available for inspection and verification. The *Contractor* shall make sure that regular quality control tests are carried out to ensure that good quality of the materials is maintained.

4.5 Accessibility to Eskom Technology Standards

The contractor is to confirm that accessibility to Eskom Technical Standards Website is secured prior to commencement of the project. The accessibility to the website may be acquired by contacting the following persons.

1. Brenda Morrison
Assistant Officer
Tel: 011 629 5266
Fax: 086 662 6387
Brenda.morrison@eskom.co.za

2. Kevin Layley
Document Controller
Technology
Power Delivery Engineering
Design Base Operating Unit Support
Tel +27 11 800 6181
E-mail Kevin.Layley@eskom.co.za

6 Construction

6.1 Completion, testing, commissioning and correction of Defects

6.1.1 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.

6.1.2 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*.

6.1.3 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 materials being supplied. In accordance with EI 048 MVL (or the latest revision thereof), the appointed *Supervisor (COW)* for the project will be required to undertake an inspection of materials before project commencement for compliance with Eskom's technical standards when such materials are delivered to the

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site storage location. The *Supervisor (COW)* for the project may be aided, as needed, for the inspection from time-to-time by a representative of Eskom's Standards Implementation Department for the material inspection. The material supplied to the project shall be items that have been previously and currently Eskom assessed items. Where items have no traceable record of prior approval in existence or where compliance to Eskom's specifications are in doubt, the contractor shall be given 30 (thirty) days to provide all valid certification (including but not only) test records as specified in SANS/IEC and Eskom standards to prove that the material in question complies with Eskom's requirements. Where such material is found to be in contravention of Eskom's standards, such material will be rejected and will be for the contractor's cost to replace and/or re-work.

On completion of the first transformer zone, the contractor is required to request the COW (aided by SI Dept representative as and when needed) to conduct a detailed inspection of the network constructed. Defects identified on the first transformer zone shall be corrected and will serve as the benchmark of quality to be expected on the remainder of the project.

6.1.4 Commissioning

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

6.1.5 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.

5.1.5.1 Traveling Cost

Camp Site Establishment - The contractor will only be re-imbursed for 1 trip per vehicle from the contractor base to the Project Site, which must be pre-approved by the relevant *Project Manager*.

Camp Site De-Establishment - The contractor will only be re-imbursed for 1 trip per vehicle from the Project Site to contractor base, which must be pre-approved by the relevant *Project Manager*.

Travelling on the Project Site – An allowance of **30km** per day per vehicle will be made from Project Site Camp to the place of execution, however in order to claim, this must be supported by vehicle Tracker records, verified by the Eskom Clerk of Works. Should the daily allowance of **30km** be exceeded, pre-approval in writing by the *Project Manager* must be obtained. Travelling costs to execute the Scope of work forms part of the labour rate for each activity on the BOQ.

5.1.5.2 Material Handling

5.1.5.2.1 Material Supplied by the Contractor – A (handling fee) direct fee equal to **5%** of the material cost paid, can be claimed by the contractor.

6.1.6 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.

6.1.7 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.

6.1.8 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.

6.1.9 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*.

6.1.10 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*.

7 List of drawings

7.1 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

The Design, manufacture and testing ex-works of various types of pole top and ground mounted transformers for various Clusters within the Distribution Division for a period of twelve (12) months.

PART 4: SITE INFORMATION

Document reference	Title	No of pages
C4	This cover page	1
	Site Information	1
	Total number of pages	2

PART 4: 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.

1. General description

Provide a general description of the Site and its location. Reference would probably be made to a drawing showing the Site and its surroundings and the *boundaries of the site* as required by the Contract Data. It is particularly important that details of surrounding buildings be provided where crane operation is likely to be affected, or the *works* involve deep foundations adjacent to existing buildings.

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

Some of the existing infrastructure is indicated on substation layout drawings provided. Though it is the *Contractor's* responsibility, to familiarise himself with all existing infrastructure in and around the working place.

3. Subsoil information

All excavations and associated soil information are described under the Works information and Bill of Quantities. No geotechnical study or report provided.

4. Hidden services

In the event of a discrepancy between physical condition and the information on a drawing, the *Contractor* shall notify the *Project Manager* immediately if the physical condition found on *site* is such that the deviation from the drawing requires a change in the design of the *works*.