



## NEC3 Supply Contract (SC3)

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

and (Reg No.)

for **THE PROVISION OF SUPPLY AND DELIVERY OF  
RESINS AT GROOTVLEI POWER STATION**

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**CONTRACT No.**

**Compiled by: Matimba Nxumalo**

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**THE PROVISION OF SUPPLY AND DELIVERY OF RESINS AT GROOTVLEI POWER  
STATION**

CONTRACT NUMBER \_\_\_\_\_

**PART C1:      AGREEMENTS & CONTRACT DATA**

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## C1.1 Form of Offer & Acceptance

### Offer

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

### THE PROVISION OF SUPPLY AND DELIVERY OF RESINS AT GROOTVLEI POWER STATION

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 *Supplier* 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	R
	Value Added Tax @ 15% is	R
	The offered total of the amount due inclusive of VAT is <sup>1</sup>	R
	(in words) twelve million five hundred and seventy two thousand nine hundred and fifty rand only	

This Offer may be accepted by the Purchaser 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 *Supplier* in the *conditions of contract* identified in the Contract Data.

Signature(s)

Name(s)

Capacity

For the  
tenderer:

(Insert name and address of organisation)

Name &  
signature of  
witness

Date

<sup>1</sup> This total is required by the *Purchaser* 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 Purchaser identified below accepts the tenderer's Offer. In consideration thereof, the Purchaser shall pay the Supplier 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 Purchaser and the tenderer upon the terms and conditions contained in this agreement and in the contract that is the subject of this agreement.

The terms of the contract, are contained in:

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

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 Purchaser 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 Purchaser's agent (whose details are given in the Contract Data) to arrange the delivery of any securities, bonds, guarantees, proof of insurance and any other documentation to be provided in terms of the *conditions of contract* identified in the Contract Data at, or just after, the date this agreement comes into effect. Failure to fulfil any of these obligations in accordance with those terms shall constitute a repudiation of this agreement.

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

Signature(s)

Name(s)

Capacity

for the  
Purchaser

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

(Insert name and address of organisation)

Name &  
signature of  
witness

Date

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

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

No.	Subject	Details
1	N/A	

By the duly authorised representatives signing this Schedule of Deviations below, the Purchaser 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 Purchaser 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 Purchaser**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Capacity \_\_\_\_\_

On behalf  
of*(Insert name and address of organisation)***Eskom Holdings SOC Ltd, Megawatt  
Park, Maxwell Drive, Sandton,  
Johannesburg, 2199**Name &  
signature  
of witness

Date \_\_\_\_\_

## C1.2 SC3 Contract Data

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

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

Clause	Statement	Data
1	<b>General</b>	
	The <i>conditions of contract</i> are the core clauses and the clauses for Options	
		X2 Changes in the law
		X7: Delay damages
		X17: Low performance damages
		Z: <i>Additional conditions of contract</i>
	of the NEC3 Supply Contract (April 2013) <sup>1</sup>	(If the December 2009 edition is to be used delete April 2013 and replace by December 2013)
10.1	The <i>Purchaser</i> is (name):	Eskom Holdings SOC Ltd (reg no: 2002/015527/30), a state owned company incorporated in terms of the company laws of the Republic of South Africa
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	011 800 3005
	Fax No.	011 800 3969
10.1	The <i>Supply Manager</i> is (name):	[•]
	Address	Grootvlei Power Station Private Bag X Grootvlei 2420
	Tel	[•]

<sup>1</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 539 1902, [www.ecs.co.za](http://www.ecs.co.za).

Fax [•]

e-mail [•]

11.2(13)	The <i>goods</i> are	<b>Strong base anion (SBA) and Strong Acid Cation (SAC) resin to be used at Grootvlei Power Station ion exchange vessels.</b>	
11.2(13)	The <i>services</i> are	Supply of Strong base anion (SBA) and Strong Acid Cation (SAC) resin to be used at Grootvlei Power Station ion exchange vessels.	
11.2(14)	The following matters will be included in the Risk Register	<b>To be discussed during kick off meeting</b>	
11.2(15)	The Goods Information is in	<b>Part 3: Scope of Work and all documents and drawings to which it makes reference.</b>	
11.2(15)	The Supply Requirements as part of the Goods Information is in	<b>Annexure A to this Contract Data</b>	
12.2	The <i>law of the contract</i> is the law of	<b>the Republic of South Africa</b>	
13.1	The <i>language of this contract</i> is	<b>English</b>	
13.3	The <i>period for reply</i> is	<b>1 week</b>	
2	<b>The <i>Supplier's</i> main responsibilities</b>	<b>Data required by this section of the core clauses is provided by the <i>Supplier</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data.</b>	
3	<b>Time</b>		
30.1	The <i>starting date</i> is.	<b>[•]</b>	
30.1	The <i>delivery date</i> of the goods and services is:	<b><i>goods and services</i></b>	<b><i>delivery date</i></b>
		1 Strong base anion resin.	TBC
		2 Strong acid cation resin	TBC
30.2	The <i>Supplier</i> does not bring the goods to the Delivery Place more than one week before the Delivery Date.	<b>[no data required]</b>	
31.1	The <i>Supplier</i> is to submit a first programme for acceptance within	<b>2 weeks of the Contract Date.</b>	
32.2	The <i>Supplier</i> submits revised programmes at intervals no longer than	<b>4 weeks.</b>	
4	<b>Testing and defects</b>		
42	The <i>defects date</i> is	<b>. 1 month after delivery and installation</b>	
43.2	The <i>defect correction period</i> is	<b>1 week</b>	

	except that the <i>defect correction period</i> for	<b>[wrong material delivered] is 1 week</b>
	and the <i>defect correction period</i> for	<b>1 week</b>
42.2	The <i>defects access period</i> is	<b>2 days</b>
	except that the <i>defect access period</i> for	<b>N/A</b>
	and the <i>defect access period</i> for	<b>N/A</b>
<b>5</b>	<b>Payment</b>	
50.1	The <i>assessment interval</i> is	<b>between the 25<sup>th</sup> day of each successive month.</b>
51.1	The <i>currency of this contract</i> is the	<b>South African Rand</b>
51.2	The period within which payments are made is	<b>4 weeks.</b>
51.4	The <i>interest rate</i> is	<p>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</p> <p>(ii) the LIBOR rate applicable at the time for amounts due in other currencies. LIBOR is the 6 month London Interbank Offered Rate quoted under the caption "Money Rates" in The Wall Street Journal for the applicable currency or if no rate is quoted for the currency in question then the rate for United States Dollars, and if no such rate appears in The Wall Street Journal then the rate as quoted by the Reuters Monitor Money Rates Service (or such service as may replace the Reuters Monitor Money Rates Service) on the due date for the payment in question, adjusted <i>mutatis mutandis</i> every 6 months thereafter and as certified, in the event of any dispute, by any manager employed in the foreign exchange department of The Standard Bank of South Africa Limited, whose appointment it shall not be necessary to prove.</p>
<b>6</b>	<b>Compensation events</b>	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
<b>7</b>	<b>Title</b>	There is no reference to Contract Data in this section of the core clauses and terms in italics used in this section are identified elsewhere in this Contract Data.
<b>8</b>	<b>Risks, liabilities, indemnities and insurance</b>	
80.1	These are additional <i>Purchaser's</i> risks	<b>1. To be discussed during kickoff meeting</b>



		2. [•]
		3. [•]
88.1	The <i>Supplier's</i> liability to the <i>Purchaser</i> for indirect or consequential loss, including loss of profit, revenue and goodwill is limited to	Contract value
88.2	For any one event, the <i>Supplier's</i> liability to the <i>Purchaser</i> for loss of or damage to the <i>Purchaser's</i> property is limited to	<p>(1) for the <i>Purchaser's</i> existing and surrounding property in the care, custody and control of the <i>Supplier</i> the amount of the deductible (first amount payable) relevant to the event and</p> <p>(2) for all other existing <i>Purchaser's</i> property the highest applicable deductible (first amount payable) namely:</p> <ul style="list-style-type: none"> <li>• R15 million (fifteen million Rand) for Generation Division property;</li> <li>• R7.5 million (seven million five hundred thousand Rand) for Transmission Division property and;</li> <li>• R1 million (one million Rand) for Distribution Division and all other <i>Purchaser's</i> property</li> </ul>
88.3	The <i>Supplier's</i> liability for Defects due to his design which are not notified before the last defects date is limited to:	Contract Value
88.4	The <i>Supplier's</i> total liability to the <i>Purchaser</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to	Contract Value
88.5	The end of liability date is	1 year after Delivery of the whole of the goods and services.

## 9 Termination and dispute resolution

94.1	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 <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ). If the Parties do not agree on an Adjudicator the Adjudicator will be appointed by the Arbitration Foundation of Southern Africa (AFSA).
	Address	Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg
	Tel No.	[•]
	Fax No.	[•]

e-mail

[•]

94.2(3)	The <i>Adjudicator nominating body</i> is:	the Chairman of ICE-SA, a Division of the South African Institution of Civil Engineering, or its successor body (See <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> )
94.4(2)	The <i>tribunal</i> is:	arbitration
94.4(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.
94.4(5)	The place where arbitration is to be held is	South Africa
	The person or organisation who will choose an arbitrator	
	- if the Parties cannot agree a choice or	the Chairman for the time being or his nominee
	- if the arbitration procedure does not state who selects an arbitrator, is	of the Association of Arbitrators (Southern Africa) or its successor body.

## 10 Data for Option clauses

X2	Changes in the law		
X2.1	A change in the law of	Unforeseen circumstances which neither party could have prevented is a compensation event if it occurs after the Contract Date	
X7	Delay damages		
X7.1	Delay damages for Delivery are	Delivery of	amount per day
		1.Strong base anion resin.	1-10%per day of the contract value maximum 10 days.
		2.Strong acid cation resin	1-10% per day of the contract value maximum 10 days
X17	Low performance damages		
X17.1	The amounts for low performance damages are:	amount	performance level

100% Contract Value	for 0% System Performance
80% Contract Value	for 20% System Performance
60% Contract Value	for 40% System Performance
40% Contract Value.	for 60% System Performance
20% Contract Value	for 80% System Performance
0% Contract Value	for 100% System Performance

<b>Z</b>	<b>The additional conditions of contract are</b>	<b>Z1 to Z12 always apply for Eskom</b>
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#### **Z1 Cession delegation and assignment**

- Z1.1 The *Supplier* does not cede, delegate or assign any of its rights or obligations to any person without the written consent of the *Purchaser*.
- Z1.2 Notwithstanding the above, the *Purchaser* may on written notice to the *Supplier* 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 *Supplier* 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 *Purchaser* for the performance of this contract.
- Z2.2 Unless already notified to the *Purchaser*, the persons or organisations notify the *Supply Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Supplier* on their behalf.
- Z2.3 The *Supplier* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Purchaser* having been given to the *Supplier* in writing.

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

- Z3.1 Where a change in the *Supplier's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Supplier's* B-BBEE status, the *Supplier* notifies the *Purchaser* within seven days of the change.
- Z3.2 The *Supplier* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Supply Manager* within thirty days of the notification or as otherwise instructed by the *Supply Manager*.
- Z3.3 Where, as a result, the *Supplier's* B-BBEE status has decreased since the Contract Date the *Purchaser* may either re-negotiate this contract or alternatively, terminate the *Supplier's* obligation to Provide the Goods and Services.
- Z3.4 Failure by the *Supplier* to notify the *Purchaser* of a change in its B-BBEE status may constitute

a reason for termination. If the *Purchaser* 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 *Supplier* 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 *Supplier*, enters the public domain or to information which was already in the possession of the *Supplier* at the time of disclosure (evidenced by written records in existence at that time). Should the *Supplier* disclose information to Others in terms of clause 23.1, the *Supplier* ensures that the provisions of this clause are complied with by the recipient.
- Z4.2 If the *Supplier* is uncertain about whether any such information is confidential, it is to be regarded as such until notified otherwise by the *Supply Manager*.
- Z4.3 In the event that the *Supplier* is, at any time, required by law to disclose any such information which is required to be kept confidential, the *Supplier*, to the extent permitted by law prior to disclosure, notifies the *Purchaser* 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 *Supplier* 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 *goods* or any portion thereof, in the course of Providing the Goods and Services and after Delivery, requires the prior written consent of the *Supply Manager*. All rights in and to all such images vests exclusively in the *Purchaser*.
- Z4.5 The *Supplier* 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 *Supply Manager* or the *Adjudicator* does not constitute a waiver of rights, and does not give rise to an estoppel unless the Parties agree otherwise and confirm such agreement in writing.

**Z6**

**Health, safety and the environment: Add to core clause 25.4**

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

Without limitation the *Supplier*:

- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with 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 supply and
- undertakes, in and about the execution of the supply, to comply 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 *Supplier's* direction and control, likewise observe and comply with the foregoing.

- Z6.2 The *Supplier*, in and about the execution of the supply, 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 *Supplier'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 *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the *Supplier* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Purchaser* 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 *Purchaser* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z7.3 The *Supplier* (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 *Purchaser'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 the words, "unless the event arises from the *Supply Manager* giving an instruction, changing an earlier decision or correcting an assumption".

**Z9 Purchaser's limitation of liability**

- Z9.1 The *Purchaser's* liability to the *Supplier* for the *Supplier's* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Supplier's* entitlement under the indemnity in 83.1 is provided for in 60.1(12) and the *Purchaser'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 *Supplier's* payment of delay damages reaches the limits stated in this Contract Data for Option X7, the *Purchaser* may terminate the *Supplier's* obligation to Provide the Goods and Services 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 *Supplier* 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,

<b>Coercive Action</b>	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,
<b>Collusive Action</b>	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,
<b>Committing Party</b>	means, as the context requires, the <i>Supplier</i> , or any member thereof in the case of a joint venture, or its employees, agents, or Subcontractors or the Subcontractor's employees,
<b>Corrupt Action</b>	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,
<b>Fraudulent Action</b>	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,
<b>Obstructive Action</b>	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
<b>Prohibited Action</b>	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 *Purchaser* may terminate the *Supplier's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Supplier* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Purchaser* 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 *Purchaser* can terminate the *Supplier's* obligation to Provide the Services for this reason.
- Z12.3 If the *Purchaser* terminates the *Supplier'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 *Purchaser* does not have a contractual bond with the Committing Party, the *Supplier* ensures that the Committing Party co-operates fully with an investigation.

### **Z13 Risk and Insurance**

#### **Z 13.1 Replace core clause 84 with the following:**

<b>Insurance cover</b>	<b>84</b>
	<b>84.1</b> 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.
	<b>84.2</b> The <i>Consultant</i> provides the insurances stated in the Insurance Table A from the <i>starting date</i> until the earlier of Completion and the date of the termination certificate.

**INSURANCE TABLE A**

<b>Insurance against</b>	<b>Minimum amount of cover</b>	<b>For the period following Completion of the whole of the services or earlier termination</b>
Liability of the <i>Consultant</i> for claims made against him arising out of his failure to use the skill and care normally used by professionals providing services similar to the <i>services</i>	Commercial and business to determine	Commercial and business to determine
Liability for death of or bodily injury to a person (not an employee of the <i>Supplier</i> ) or loss of or damage to property resulting from an action or failure to take action by the <i>Supplier</i>	<p><b>Loss of or damage to property:</b> The replacement cost where not covered by the <i>Purchaser's</i> insurance</p> <p>The <i>Purchaser's</i> policy deductible, as at Contract Date, where covered by the <i>Purchaser's</i> insurance</p> <p><b>Bodily injury to or death of a person:</b> The amount required by the applicable law.</p>	Commercial and business to determine
Liability for death of or bodily injury to employees of the <i>Supplier</i> arising out of and in the course of their employment in connection with this contract	The amount required by the applicable law	Commercial and business to determine

**Z 13.2      Replace core clause 87 with the following:**

**Insurance by  
the *Purchaser***

87

87.1      The *Purchaser* provides the insurances stated in the Insurance Table B

## **Z15 Asbestos**

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

<b>AAIA</b>	means approved asbestos inspection authority.
<b>ACM</b>	means asbestos containing materials.
<b>AL</b>	means action level, i.e. a level of 50% of the OEL, i.e. 0.1 regulated asbestos fibres per ml of air measured over a 4 hour period. The value at which proactive actions is required in order to control asbestos exposure to prevent exceeding the OEL.
<b>Ambient Air</b>	means breathable air in area of work with specific reference to breathing zone, which is defined to be a virtual area within a radius of approximately 30cm from the nose inlet.
<b>Compliance Monitoring</b>	means compliance sampling used to assess whether or not the personal exposure of workers to regulated asbestos fibres is in compliance with the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>OEL</b>	means occupational exposure limit.
<b>Parallel Measurements</b>	means measurements performed in parallel, yet separately, to existing measurements to verify validity of results.
<b>Safe Levels</b>	means airborne asbestos exposure levels conforming to the Standard's requirements for safe processing, handling, storing, disposal and phase-out of asbestos and asbestos containing material, equipment and articles.
<b>Standard</b>	means the <i>Purchaser's</i> Asbestos Standard 32-303: Requirements for Safe Processing, Handling, Storing, Disposal and Phase-out of Asbestos and Asbestos Containing Material, Equipment and Articles.
<b>SANAS</b>	means the South African National Accreditation System.
<b>TWA</b>	means the average exposure, within a given workplace, to airborne asbestos fibres, normalised to the baseline of a 4 hour continuous period, also applicable to short term exposures, i.e. 10-minute TWA.

Z15.1 The *Purchaser* ensures that the Ambient Air in the area where the *Supplier* 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 *Supplier*, the *Purchaser* 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 *Supplier* may perform Parallel Measurements



and related control measures at the *Supplier'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 *Purchaser* 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 *Supplier'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 *Supplier* 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.

Z15.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Purchaser* at the *Purchaser's* expense, and conducted in line with South African legislation.

## Annexure A: Supply Requirements

[Notes: The example given in the NEC3 Supply Contract Guidance Notes pages 15 to 20 inclusive is based on Incoterms 2000. However users will probably wish to use Incoterms 2010 which the details below are based on. Users may need to adjust the information to comply with actual requirements. First decide whether Incoterms will be used or not, then delete the arrangement below which does not apply and delete these notes]

### The Supply Requirements for this contract are based on the use of INCOTERMS:

The *Supplier* supplies the goods in accordance with INCOTERMS 2010<sup>2</sup> as follows:

[

Group	Category	Term	Delivery Place
D	arrival	DAT, DAP, DDP	Grootvlei Power Station

The Parties obligations described in Incoterms for the category and term selected are now incorporated into this contract as part of the Supply Requirements and hence the Goods Information.

The obligations of seller and buyer for the selected Incoterm determine each Party's costs, risks and insurance requirements incidental to the supply and transport of the goods from *Supplier* to *Purchaser*.

For each of the thirteen terms, Incoterms set out obligations of the seller (the *Supplier*) in ten paragraphs identified as A1 to A10 and the corresponding obligations of the buyer (the *Purchaser*) in paragraphs B1 to B10. These obligations cover the following subjects:

A	The <i>Supplier's</i> obligations	B	The <i>Purchaser's</i> obligations
A1	Provision of goods in conformity with contract	B1	Payment of the price

<sup>2</sup> International Chamber of Commerce, Incoterms 2010, Paris, January 2011

<b>A2</b>	Licences, authorisations and formalities	<b>B2</b>	Licences, authorisations and formalities
<b>A3</b>	Contracts of carriage and insurance	<b>B3</b>	Contracts of carriage and insurance
<b>A4</b>	Delivery	<b>B4</b>	Taking delivery
<b>A5</b>	Transfer of risks	<b>B5</b>	Transfer of risks
<b>A6</b>	Division of costs	<b>B6</b>	Division of costs
<b>A7</b>	Notice to the buyer	<b>B7</b>	Notice to the seller
<b>A8</b>	Proof of delivery, transport document or equivalent electronic message	<b>B8</b>	Proof of delivery, transport document or equivalent electronic message
<b>A9</b>	Checking - packing - marking	<b>B9</b>	Inspection of goods
<b>A10</b>	Other obligations	<b>B10</b>	Other obligations

All other information NOT pertinent to the above is given in the balance of the Goods Information

**The Supply Requirements for this contract are as follows:**

[Use these when INCOTERMS do not apply].

<b>1. The requirements for the supply are</b>	[State the constraints on how the <i>Supplier</i> manufactures, prototypes, tests and stores the <i>goods</i> including order and timing]	
<b>2. The requirements for transport are</b>	[State the extent to which the <i>Supplier</i> transports the <i>goods</i> and the mode of transport]	
<b>3. The delivery place is</b>	[State the location where the <i>goods</i> are to be placed by the <i>Supplier</i> , such as whether it is a dispatch department at the <i>Supplier's</i> premises, the <i>Purchaser</i> is to collect or other location the <i>Purchaser</i> may require. If the delivery place for the <i>services</i> is different to the <i>goods</i> state it here]	
<b>4. Actions of the Parties during supply</b>	<b>Action</b>	<b>Party which does it</b>
	Giving notice of Delivery	
	Checking packing and marking before dispatch	
	Contracting for transport	
	Pay costs of transport	
	Arrange access to delivery place	
	Loading the <i>goods</i>	
	Unloading the <i>goods</i>	
<b>For international procurement</b>	Undertake export requirements	
	Undertake import requirements	
<b>5. Information to be provided by the Supplier</b>	<b>Title of document</b>	
	Packing lists for cases and their contents	
	Copy of invoice for the <i>goods</i>	
	Delivery Note	
	Test results and maintenance manuals	
<b>For international procurement</b>	Licences, authorisations and other formalities associated with export of the <i>goods</i>	
	Air Waybill or Bill of Lading with associated landing, delivery and forwarding order	
	The Bill of Entry endorsed by the importation authority	
	Customs work sheets, showing tax, duties and surcharges which the law of the country into which the <i>goods</i> are being imported requires the importer to pay	
	Invoice from the importation clearing agent showing airline fees, landing charges, wharfage and dock dues as applicable	
	Specify other import documents required by authorised officials.	

All other information NOT pertinent to the above is given in the balance of the Goods Information

## C1.2 Contract Data

### Part two - Data provided by the *Supplier*

#### Notes to a tendering supplier:

1. Please read both the NEC3 Supply Contract (SC3)<sup>1</sup> and the relevant parts of its Guidance Notes (SC3-GN)<sup>2</sup> in order to understand the implications of this Data which the tenderer is required to complete.
2. The number of the clause which requires the data is shown in the left hand column for each statement however other clauses may also use the same data
3. Where a form field like this [ ] appears, data is required to be inserted relevant to the option selected. Click on the form field **once** and type in the data. Otherwise complete by hand and in ink.

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

Clause	Statement	Data				
10.1	The <i>Supplier</i> is (Name):  Address  Tel No.  Fax No.					
11.2(8)	The Goods Information for the <i>Supplier's</i> design is in:					
11.2(11)	The tendered total of the Prices is	R , (in words)				
11.2(12)	The <i>price schedule</i> is in:	OPTION A				
11.2(14)	The following matters will be included in the Risk Register	To be discussed during kick-off				
25.2	The restrictions to access for the <i>Supply Manager</i> and Others to work being done for this contract are	To be discussed during kick-off meeting				
30.1	The <i>delivery date</i> of the <i>goods</i> and <i>services</i> is:	<table><tr><th><i>goods and services</i></th><th><i>delivery date</i></th></tr><tr><td>1</td><td></td></tr></table>	<i>goods and services</i>	<i>delivery date</i>	1	
<i>goods and services</i>	<i>delivery date</i>					
1						
31.1	The programme identified in the Contract Data is contained in:					
63.2	The <i>percentage for overheads and profit</i> added to the Defined Cost is	%				

<sup>1</sup> Either April 2013 or December 2009 Edition as stated by *Purchaser* in Contract Data part 1.

<sup>2</sup> Available from Engineering Contract Strategies Tel 011 803 3008, Fax 086 539 1902, or [www.ecs.co.za](http://www.ecs.co.za)



PART 2: PRICING DATA

TSC3 Option A

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

## C2.1 Pricing assumptions: Option A

- **The conditions of contract**

### How work is priced and assessed for payment

Clause 11 in NEC3 Term Service Contract, June 2005 (TSC3) core clauses and Option A states:

<b>Identified and defined terms</b>	11	
	11.2	(12) The Price List is the <i>price list</i> unless later changed in accordance with this contract.
		(17) The Price for Services Provided to Date is the total of  the Price for each lump sum item in the Price List which the <i>Contractor</i> has completed and where a quantity is stated for an item in the Price List, an amount calculated by multiplying the quantity which the <i>Contractor</i> has completed by the rate.
		(19) The Prices are the amounts stated in the Price column of the Price List. Where a quantity is stated for an item in the Price List, the Price is calculated by multiplying the quantity by the rate.

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

### Function of the Price List

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

### Link to the Contractor's plan

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

### Preparing the price list

It will be assumed that the tendering contractor has read Pages 14, 15 and 73 of the TSC3 Guidance Notes before preparing the *price list*. Items in the *price list* may have been inserted by the *Employer* and the tendering contractor should insert any additional items which he considers necessary. Whichever party provides the items in the *price list* the total of the Prices is assumed to be fully inclusive of everything necessary to Provide the Service as described at the time of entering into this contract.

1 As the *Contractor* has an obligation to correct Defects (core clause 42.1) and there is no compensation event for this unless the Defect was due to an *Employer's* risk, the lump sum Prices and rates must also include for the correction of Defects.

2 If the *Contractor* has decided not to identify a particular item in the *price list* at the time of tender the cost to the *Contractor* of doing the work must be included in, or spread across, the other Prices and rates in the *price list* in order to fulfil the obligation to complete the *service* for the tendered total of the Prices.

3 There is no adjustment to lump sum prices in the *price list* if the amount, or quantity, of work within that lump sum item of service later turns out to be different to that which the *Contractor* estimated at time of tender. The only basis for a change to the Prices is as a result of a compensation event. See Clause 60.1.

4 Hence the Prices and rates tendered by the *Contractor* in the *price list* are inclusive of everything necessary and incidental to Providing the Service in accordance with the Service Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk.

5 The *Contractor* does not have to allow in his Prices and rates for matters that may arise as a result of a compensation event. It should be noted that the list of compensation events includes those arising as a result of an *Employer's* risk event listed in core clause 80.1.

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

(From page 73 of the TSC3 Guidance Notes)

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

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

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

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




**C2.2 the *price list***

ITEM	DESCRIPTION	UNIT	QUANTITY	RATE	AMOUNT
<b>1</b>	<b>Services</b>				
	Supply and Delivery of Strong base anion resin	Per L	29 000		
	Supply and Delivery Strong acid cation resin	Per L	29 000		
	<b>Sub Total Amount</b>				

The total of the Prices

**R**



 Eskom	<b>Grootvlei Power Station</b> <b>Scope of work for Demin Plant Resin Procurement</b>		SAP notification №
			Date
			№ of pages

Unit	WTP	Plant area	Demineralisation
Responsible Department	Chemical Services		

**Background:**

**Objective:** To procurement and delivery of strong base anion (SBA) and Strong Acid Cation (SAC) resin to be used at Grootvlei Power Station ion exchange vessels. The resin is required for full replacement of existing resin in the plant.

**Scope  
Background**

Grootvlei Power Station receives its raw water source from the Vaal dam. This water is treated through coagulation, flocculation, clarification and sand filtration before being fed to the ion exchange vessels. The purpose is to produce demineralised water as per Eskom Standard 240-53113712 suitable for used on steam boiler for power generation.

**Required works**

The Supplier/Contractor is required to supply and deliver Strong Base Anion (SBA) and Strong Acid Cation (SAC) Resin to be used on the anion and cation vessels respectively.

Plant Full Specifications

Number of Trains: 3  
Flowrate per train: 70m³/hr

The required works includes the following

1. Supply and deliver ion exchange resin for demineralisation plant. The demineralisation plant resin selected or supplied must be able to match or better the current expected plant throughput performance. The supplier is required to provide a computer simulation output that demonstrates the performance of the selected resin. The selection of the resin shall be on the evaluation of the computer simulation output provided by the supplier. The supplier shall use the information provided in Table 1 to conduct the simulation.
2. Perform annual and emergency ion exchange resin analysis of demin plant resins as part of the resin price. Resin analysis to be performed shall include, but not be limited to:
  - Total exchange capacity
  - Moisture holding capacity
  - Dry matter

- swelling
  - optical aspects – perfect beads, cracked and broken beads
  - Mass transfer coefficient (MTC)
3. Resin required for topping-up the vessels must be the same product and type as the resin currently installed in the plant. There shall be no need to do computer simulation for the top-up resin.
  4. Offer technical support (resin loading, troubleshooting, optimisation and training) as part of the resin price.
  5. Perform annual plant optimisation or performance reviews/audits at the power station with Eskom Representative using approved or licenced ion exchange design software and issue a formal recommendation report as part of the resin price.
  6. Provide batch numbers for all resin products delivered to Eskom, for traceability during troubleshooting.
  7. All ion exchange resin products must be supplied in pallets of 25 litres bags amounting to 1000 litres.
  8. All ion exchange resin products must be delivered in an open loaded truck to allow accessibility by the fork lift during offloading.
  9. Cation resins must be supplied in hydrogen form with a capacity greater than 2.0 eq/l.
  10. Anion resins must be supplied in the hydroxyl form with a capacity of greater than 1.0 eq/l. The chloride content must be less than 1% and the hydroxyl content must be greater than 95%
  11. Both cation and anion resins supplied must have perfect beads exceeding 99% and broken beads must be less than 1%.
  12. The anion resin mass transfer coefficient must be greater than 2 x 10<sup>-4</sup> m/sec for sulphate leakage at 100 m/h linear flow.
  13. The uniformity coefficient for both cation and anion resin must be less 1.2 and 90% of the resin beads must be in the range of 0.60 – 0.70 mm.
  14. The safety data sheets (SDS) and technical data sheet (TDS) must be provided per product.
  15. An extra 2000L for each resin type must be added to cater for top up purposes in case of resin losses during operations.
  16. The following documents shall be submitted to Grootvlei Power Station personnel in the Water Treatment Plant Control Room upon arrival at the power station:
    - a. Ion exchange resin certificate of analysis and batch numbers.
    - b. Delivery note, which must include the order number, the name of the power station and the power station address.

Technical Evaluation

**Table 1: Data for computer simulation**

DATA		
	Units	
Average Water Analysis	Ca	ppm as CaCO <sub>3</sub>
	Mg	ppm as CaCO <sub>3</sub>
	Na	ppm
	K	ppm
	Cl	ppm
	SO <sub>4</sub>	ppm
	NO <sub>3</sub>	ppm
		N/A

CONTRACT NUMBER \_\_\_\_\_

	HCO <sub>3</sub> or M-Alkalinity	ppm as CaCO <sub>3</sub>	
	SiO <sub>2</sub>	ppm	0
	pH	Value	
	Conductivity	µS/cm	
	Organics	mg/L as KMnO <sub>4</sub>	N/A
Organics (TOC)		ppm	
Temperature			°C
Flow Rate	Gross	m <sup>3</sup> /h	80
	Net	m <sup>3</sup> /h	70
Number of lines		Number	3

Table 2: Cation data for simulation

DATA			Current Plant Conditions
Regen Type		Units	
	*CFR, RFR or T&B		RFR
Resin Type			DOWEX Marathon C
Stratified bed		Y/N	N
Resin Volume per vessel	Cation (WAC)	L	N/A
	Cation (SAC)	L	8725
	Inert	L	N/A
Column Diameter		mm	2130
Cation Regeneration	H <sub>2</sub> SO <sub>4</sub> Concentration (used)	%	2-4
	H <sub>2</sub> SO <sub>4</sub> Concentration (storage)	%	98
	H <sub>2</sub> SO <sub>4</sub> Price	R	2.14/kg
Cation Outlet Expected Quality	pH		~3
	Sodium	ppb	<150ppb

Degasser	Y/N	Y
Number of Cation Vessels	Number	3

Note: Extra 2000L of cation resin is to be supplied for top up purposes

Table 3: Anion data for simulation

DATA			Current Plant Conditions
		Units	
Regen Type	*CFR, RFR or T&B		CFR
Resin Type			Amber-jet 4200Cl
Stratified bed		Y/N	N
Resin Volume per vessel	Anion (WBA)	L	N/A
	Anion (SBA)	L	6650
	Inert	L	N
Column Diameter	WBA	mm	N/A
	SBA	mm	2130
Anion Regeneration	NaOH Concentration (used)	%	4
	NaOH Concentration (storage)	%	50
	NaOH Price	R	6.22/kg
Anion Outlet Expected Quality	Conductivity (WBA)	µS/cm	N/A
	Conductivity (SBA)	µS/cm	<10 (CFR)
	Silica	ppb	<50 (CFR)
Number of Anion Vessels		Number	3
Expected Throughput of the Demin Train		m <sup>3</sup>	2000

Note: Extra 2000L of anion resin is to be supplied for top up purposes

**Table 4: Technical tender returnable for complete replacement**

	Technical Tender Returnable	Mandatory for Evaluation	Weight for Criteria used for Evaluation
1	Complete electronic simulation output of the demineralisation process (cation and anion) showing calculated throughput and leakages for the demineralisation plant based on the water qualities and plant data provided.	x	40
2	Kilograms of regenerant per regeneration and regenerant level in g/L resin ( <b>as per the Technical Data Sheet</b> ) for the product offered.	x	25
3	List of services included in the price.	x	15
4	Resins lead times.	x	10
5	Product/Technical data sheets for all resins recommended.	x	5
6	References (where the products are of use in similar application to the Power Station).	x	5

Rating for Individual Technical Criteria	%
Completely Meets Technical Requirement	100
Mostly Meets Technical Requirement	75
Partially Meets Technical Requirement	50
Mostly Does Not Meet Technical Requirement	25
Does not Meet Technical Requirement	0

## C3.2 SUPPLIER'S GOODS INFORMATION

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### 1.1 Employer's requirements for the service

The procurement and delivery of strong base anion (SBA) and Strong Acid Cation (SAC) resin

### 1.2 Management meetings

Once off kick off meeting will be held once the contract is awarded to successful supplier.

### 1.3 Supplier's management, supervision and key people

There is no Contract Data required for this section of the *conditions of contract*.

### 1.4 Documentation control

All documents ( including MSDS) received should be filed in the project file and stored in safe location.

### 1.5 Invoicing and payment

Within one week of receiving a payment certificate from the *Supply Manager* in terms of core clause 51.1, the *Supplier* provides the *Purchaser* with a tax invoice in accordance with the *Purchaser's* procedures stated in the Goods Information, showing the amount due for payment equal to that stated in the payment certificate.

The Supplier shall address the tax invoice to  
Grootvlei Power Station  
and include on each invoice the following information:

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

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

### 1.6 Health and safety risk management

The *Contractor* must comply with the requirements of Occupational Health and Safety Act (85 of 1993) or OHS Act (85 of 1993)

In addition, the Contractor must adhere to the following requirements:



- Cost of *Contractor's* medical examination, safety induction are for the *Contractor's* account.
- *Contractor* is responsible for procurement of PPE and equipment in accordance with the OHS Act (85 of 1993) and site specific requirements, including the use thereof as necessary.
- The *Contractor* shall at all times comply with the health and safety requirements prescribed by law as they may apply to the *services*.
- The *Contractor* shall upon entering Grootvlei Power Station, abide by the Cardinal Rules or Life Saving Rules. These will be provided by the *Employer* on the start of the contract.
- The *Contractor* to submit material safety data sheets (MSDS) on all hazardous chemical substances to be used on site on the contract start date. The *Contractor* will not be allowed to use any hazardous chemical substances on site without permission by the *Employer*. All the chemical substances used in the power station must be in line with Specification for Chemical Products and Material used in a Power Plant (GGSS1181)
- The *Contractor* to ensure that all work performed is according to applicable standards, including, Safety, Health and Environmental Specifications for *Contractors* (240-30008949) which will be supplied by the *Employer*.
- The *Contractor* shall ensure that all the documents required by 240-30008949 check list are in place on the contract start date
- The *Employer* follows an accident prevention policy that includes the investigation of all accidents involving personnel and property. This is done with the intention of introducing control measures to prevent a recurrence of the same incidents. The *Contractor* is expected to fully co-operate to achieve this objective. The *Contractor* will report any incident and accidents to Grootvlei Power Station within 24 hours. This report does not relieve the *Contractor* of his legal obligation to report certain incidents to the Department of Labour, or to keep records in terms of the Occupational Health and Safety Act, and Compensation for Occupational Injuries and Diseases Act.
- The *Contractor* implements and submit a safety plan which complies to safe working procedures and it must be approved by the *Employer* before the contract start date.
- Before work starts on site, an inaugural meeting is held with the *Contractor* and the *Service Manager* to explain all requirements of the Site Regulations.
- Before work starts on site, an inaugural meeting is held with the *Contractor* and the *Service Manager* to explain all requirements of the Site Regulations.
- The *Contractor* shall conduct a task risk assessment prior to commencement of any task, and shall ensure that a PTW is issued where applicable or Limited Access Register is completed before any work commences.
- The *Contractor* to conduct job observation and continuous risk assessment throughout the duration of a task.
- The *Employer* has the right to stop the *Contractor's* work activities which, in the opinion of *Employer*, is un-safe. The *Contractor* may only continue with work activities when all safety deficiencies have been corrected to the *Employer's* satisfaction. The *Contractor* shall have no claim against the *Employer* in respect of delay due to the above.
- The *Contractor* will be subject to periodic audits by the *Employer* in order to ensure compliance with the plan. Any deviations will be corrected to the *Employer's* satisfaction.
- The contractor shall be required to compile the reports which is in line with SHE Incident Management Procedure (32-95) Rev1 and submit it to Employer incise there is an incident involving their employees and also applicable to this contract

## 1.7 Environmental constraints and management

The *Contractor* must familiarise themselves with the waste management policies and procedures (240-28981069 and 240-29828394 respectively) within 14 days from date of contract awards, and must comply with the environmental criteria and constraints stated in the policy document. The requirements include the identification, collection, storage, transportation and disposal of waste. Hazardous waste shall be disposed off in line with the applicable environmental legislation. It is important to note that all spillages must be cleaned immediately and reported to the *service manager* as soon as possible. It is the responsibility of the polluter to clean all spillages and for the rehabilitation of the polluted land and the cost associated with that.

## 1.8 Quality assurance requirements

- The *Contractor* implements a quality system and maintains the quality system until the completion of the whole of the *Works*. The system, will as a minimum, comply with the provisions of the ISO9001 and the Supplier Contract Quality Requirements Specification (QM-58)The system will be to the *Employer's* satisfaction and will be accepted prior to the commencement of any work on site.
- The *Contractor* is responsible for defining the level of Quality Control Plan (QCP) or inspections to be imposed. The level should be based on criticality of plant and material and must be submitted to the *Service Manager* for acceptance prior to the commencement of any work activities.
- The *Contractor* compiles a data package of relevant drawings, test certificates, design checks and other technical information for each section of work or Task Order which is to be reviewed and signed off by the *Supervisor or Employer Representative*.
- The *Contractor* will be subject to periodic audits by the *Employer* in order to ensure compliance with the system. Any deviations will be corrected to the *Employer's* satisfaction.
- The *Service Manager* has the right to stop the *Contractor's* work activities which, in the opinion of *Service Manager*, does not meet the requirements of the system and will have a detrimental effect on plant performance.
- The *Contractor* may only continue with work activities when all deficiencies have been corrected to the *Employer's* satisfaction. The *Contractor* shall have no claim against the *Employer* in respect of delay due to the above.
- The *Contractor* ensures that all plant and materials for the *Works* are to the standard and quality accepted by the *Employer* and ensures that they are suitable for the purpose intended by the manufacturer.
- The *Contractor* will work according to the *Employer's* standards, specifications, guidelines and procedures. Where no standards, specifications, guidelines and procedures are available, the *Contractor* will work according to the Generation Quality manual and professional guidelines. Where possible, standards will be reflected in the Task Order.
- The *contractor* will ensure that they facilitate effective and efficient management of incident from the moment it occurs, until it can be audited and mitigated.
- In case the contractor damages the plant whilst executing the scope, the contractor shall rectify the plant and the contract can be terminated thereafter.

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

### Security Arrangement

- a) The Supplier applies for permits at the Security gate, prior to the starting date.
- b) All *Contractors* personnel will be issued with a temporary access permit, which will contain the following information:
  - Name
  - ID Number
  - Company
  - Validity date
- c) In order to assist Protective Services with the using of permits and the identification of the personnel on site, the *Contractor* is to supply a list of all personnel that he intends using on site, at least 24-hours prior to entry of the Security Area. The list, identified with the *Contractor's* name, is to contain the following information:
  - Employee name.
  - Employee ID number
  - *Employer's Representative* signature
  - Copy of the first page of the ID book of every employee of the *Contractor*

- d) The *Contractor* personnel will be required to be in possession of their *Contractor's* permit at all times. All *Contractors'* permits must be submitted to Protective Service when the relevant personnel leave the site after completion of the *works*.

The *Contractor/s* visitors and all personnel conform at all times, to the security arrangements in force at the time.

- e) No unauthorized vehicles are allowed on site. Only *Contractor's* vehicles with displayed contract vehicle permit disks will be allowed on site. Contract vehicle Permit Applications should be directed to the *Employer's Representative*.
- f) The *Contractor* is restricted to the working areas associated with his place of work. The *Contractor* is forbidden to enter any other areas, and must ensure that his employees abide by these regulations.
- g) Lost or damaged permits may be re-issued at a cost to be paid to the *Employer* by the *Contractor*
- h) The wearing of falling device's (Harness etc.) on *Employer's* site is compulsory,
- i) Road sign's and the speed limit on site are adhered to. Vehicles may only be parked in designated areas.
- j) Personnel and vehicles entering and leaving the Site are subject to routing searches.
- k) The *Contractor* makes his own assessment of, and allows in his rates for those access problems that may be encountered.
- l) Cameras including cell phones with camera facilities must be declared and handed in at the Security reception.
- m) No fire arms, Ammunition or explosives are allowed on the Power Station premises.
- n) Reporting for duty under the influence of liquor or intoxicating substances is prohibited.
- o) No recruiting of casual Labour may be done on the Power Station premises, including the immediate area outside the Power station security gate.
- p) Control, lighting and watchman to the *works* where required.

## 1.10 Site services and facilities

### 1.10.1 Provided by the *Employer*

The *Employer* provides electrical power from an existing distribution point to the *Contractor* for the purpose of construction. The *Contractor* is responsible for all connections and cable from the supply point. 220V supply is available, however continuous supply is not guaranteed.

The *Employer* supplies, free of charge, reasonable quantities of potable water required for the purposes of this contract from the nearest operational taps.

A Medical Station, Fire Protection and Rescue Service are available on site during normal working hours at a cost to be agreed to with the various services and through consultation with the *Employer's Representative*.

The *Employer's Representative* / Supervisor ensure that the necessary isolation permits are obtained and arrange access to the plant.

The *Employer's Representative* will provide a site for the *Contractor's* yard abjnhkjbmbnbnmbnmbhjmght a location that is indicated to the *Contractor*. The *Contractor* provides all the facilities required by him for such a site at his cost. The *Contractor* maintains the site to meet the requirements of the health and safety requirements as per the requirements of the *Employer*. On completion of the project the *Contractor* restores the site to its original state.

The *Contractor* must ensure that all his personnel attend a Health and Safety Induction Course presented by the Power station free of charge prior to commencement with the Works. This is a three (3) hour course and is valid for the duration of one (1) year at the Power Station.

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

All waste introduced to and/or produced on the Power Station's premises by the *Contractor* for his contract, must be handled in accordance with the minimum requirements for the Handling and Disposal of Hazardous Waste in terms of Government Legislation as proclaimed by the Department of Water Affairs and Forestry Act. 1994 Ref: ISBN0621-16295-5.

