

PART 2: PRICING DATA

ECC3 Option A

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C2.1 Pricing assumptions: Option A

1. How work is priced and assessed for payment

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

Identified and defined terms	11 11.2	(20) The Activity Schedule is the <i>activity schedule</i> unless later changed in accordance with this contract.
		(27) The Price for Work Done to Date is the total of the Prices for <ul style="list-style-type: none"> • each group of completed activities and • each completed activity which is not in a group. A completed activity is one which is without Defects which would either delay or be covered by immediately following work.
		(30) The Prices are the lump sum prices for each of the activities on the Activity Schedule unless later changed in accordance with this contract.

This confirms that Option A is a lump sum form of contract where the work is broken down into activities, each of which is priced by the tendering contractor as a lump sum. Only completed activities are assessed for payment at each assessment date; no part payment is made if the activity is not completed by the assessment date.

2. Function of the Activity Schedule

Clause 54.1 in Option A states: "Information in the Activity Schedule 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 Activity Schedule 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 Activity Schedule. The Activity Schedule is only a pricing document.

3. Link to the programme

Clause 31.4 states that "The *Contractor* provides information which shows how each activity on the Activity Schedule relates to the operations on each programme which he submits for acceptance". Ideally the tendering contractor will develop a high level programme first then resource each activity and thus arrive at the lump sum price for that activity both of which can be entered into the *activity schedule*.

4. Preparing the *activity schedule*

Generally it is the tendering contractor who prepares the *activity schedule* by breaking down the work described within the Works Information into suitable activities which can be well defined, shown on a programme and priced as a lump sum.

The *Employer*, in his Instructions to Tenderers or in a Tender Schedule, may have listed some items that he requires the *Contractor* to include in his *activity schedule* and be priced accordingly.

It is assumed that in preparing his *activity schedule* the *Contractor*:

- Has taken account of the guidance given in the ECC3 Guidance Notes pages 19 and 20;
- Understands the function of the Activity Schedule and how work is priced and paid for;
- Is aware of the need to link the Activity Schedule to activities shown on his programme;
- Has listed and priced activities in the *activity schedule* which are inclusive of everything necessary and incidental to Providing the Works in accordance with the Works Information, as it was at the time of tender, as well as correct any Defects not caused by an *Employer's* risk;
- Has priced work he decides not to show as a separate activity within the Prices of other listed activities in order to fulfil the obligation to complete the *works* for the tendered total of the Prices.
- Understands there is no adjustment to the lump sum Activity Schedule price if the amount, or quantity, of work within that activity 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.

An activity schedule could have the following format:

Item No.	Programme Reference	Activity description	Price

C2.2 the *activity schedule*

Use this page as a cover page to the *Contractor's activity schedule*.

COOLING TOWER FILLS REPLACEMENT AT ARNOT POWER STATION					
Item No	Description	UOM	Quantity	Rate	Amount
	<u>BILL 1</u>				
	Site Establishment	Sum	1	-	R -
	Ablution Facility	Sum	1	-	R -
	Safety officer, safety file and COVID PPE	Sum	1	-	R -
	Project Management & Supervision	Sum	1	-	R -
	Transport of personnel	Sum	1	-	R -
	Site De-establishment	Sum	1	-	R -
	SUB - TOTAL				R -
	<u>BILL 2</u>				
	- <u>REMOVAL</u>				
	- <u>Removal of polygrid fill from cooling tower:</u>				
	Splash Fill and fouling	ton	75.12	-	R -
	- <u>Removing from cooling tower:</u>				

Broken sprayers.	No	371.2	-	R	-
Broken Drift Eliminators	ton	1.1342			
Defective Existing end caps	No.	12	-	R	-
Sludge removal from pond & ducts and disposal thereof to the ash dams	ton	20.339	-	R	-
Sludge removal from CW hot and cold ducts	ton	0.0733			
<u>Handling and disposal of asbestos material in accordance with the relevant regulations</u>					
All Asbestos material including fouling in fill	ton	1.1342	-	R	-
SUB - TOTAL				R	-
<u>BILL 3</u>	-				
-	-				
<u>DESIGN</u>	-				
-	-				
Supply detailed design of the splash fill with support structure manufactured of GRP or stainless steel profile and maintenance access for approval by Employer.	Item	1	-	R	-
SUB - TOTAL				R	-
<u>BILL 4</u>					
<u>DISTRIBUTION SYSTEM</u>					
<u>MANUFACTURE, SUPPLY, DELIVER AND INSTALL</u>					
Drift eliminators to replace broken sections	m2	577.5		R	-
Install new sprayers, the sprayers will be free issued by Arnot	No	371.2	-	R	-
Stainless steel end flap (The flaps to fit into the 150 mm pipe ends)	No.	12	-	R	-
SUB - TOTAL				R	-

<p><u>BILL 5</u></p> <p><u>MECHANICAL WORKS</u></p> <p><u>MANUFACTURE, SUPPLY, DELIVER AND INSTALL</u></p> <p>- <u>Splash fill as per the design approved by the Employer.</u></p> <p>Splash fill to meet requirements of the Employer, minimum 10 layers, including manufacture, transport and installation.</p> <p>GRP or SS profile support for fill</p> <p><u>Maintenance access as per the design approved by the Employer.</u></p> <p>- Supply and Install non-slip glass reinforced plastic grating for maintenance access or similar as per design approved by Employer</p>	<p>m2</p> <p>m</p> <p>m2</p>	<p>57750</p> <p>28686</p> <p>214</p>	<p>-</p> <p>-</p> <p>-</p>	<p>R</p> <p>R</p> <p>R</p>	<p>-</p> <p>-</p> <p>-</p>
<p>SUB - TOTAL</p>				<p>R</p>	<p>-</p>
<p><u>BILL 6</u></p> <p>- <u>PERFORMANCE TESTING</u></p> <p>-</p> <p>Performance test on tower 2</p> <p><u>DOCUMENTATION</u></p> <p>Documentation (Operating and Maintenance Manuals, Drawings, technical schedules, performance chart etc)</p>	<p>Item</p> <p>Item</p>	<p>1</p> <p>1</p>	<p>-</p> <p>-</p>	<p>R</p> <p>R</p>	<p>-</p> <p>-</p>
<p>SUB - TOTAL</p>				<p>R</p>	<p>-</p>
<p><u>BILL 7</u></p> <p>- <u>MISCELLANEOUS ITEMS</u></p> <p>- <u>CLEANING AND DRAINING</u></p> <p>-</p>					

	<p>Cooling tower: Dimetric duct and Distribution pipes internal HP-cleaning. HP cleaning of external surfaces includes the diametric duct, distribution pipes and tower shell (from inlet up to 1.5 m above the distribution pipes) The Drift Eliminators will be cleaned with water (typically 6 bar). Sludge and debris are to be removed from the pond and screens</p> <p>Hot & Cold Ducts: Brooms, Rubber squeegees, Plastic egg lifters, Industrial type bags, Plastic buckets are to be used instead to clean the floor and duct walls.</p>	Item	1	-	R	-
SUB - TOTAL					R	-
<p><u>SUMMARY</u></p> <p>1 PRELIMINARIES AND GENERAL</p> <p>2 REMOVAL</p> <p>3 DESIGN</p> <p>4 DISTRIBUTION SYSTEM</p> <p>5 MECHANICAL WORKS</p> <p>6 PERFORMANCE TESTING</p> <p>7 MISCELLANEOUS ITEMS</p>					R	-
				<p>Total Excl VAT & Escalations</p>	R	-