

SERVICE LEVEL AGREEMENT

BETWEEN

ESKOM HOLDINGS SOC LIMITED

(Hereinafter referred to as Eskom)

AND

Service Provider

(Hereinafter referred to as Service Provider)

Initials:

	Services and Service Levels	SLA
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1. Introduction

- This document is a service-level agreement (SLA) between Eskom and Service Provider for the provision of Data Centre and Server Room facilities maintenance and upkeeping related services
- The SLA constitutes a formal agreement, which defines and formalises key components of the working relationship between Eskom and the Service Provider
- The SLA document must be read together with the main contract documents.
- This SLA document will be reviewed as and when required to cater for any changes or opportunities for improvement identified within Eskom business.

2. Supporting clause

2.1. Scope

- This SLA document includes Service description; Service levels, Support, maintenance, and repairs of Data Centre and Server Room facilities maintenance and upkeeping services that are within Service Provider 's mandate.

2.2. Purpose

- The purpose of this agreement is to define the level of service to be delivered by the Service provider, indicate the metrics by which the services are measured as well as remedies should the agreed service levels not be achieved.

2.3. Effective date

- This agreement will be effective on the date of signature by both parties to this agreement.
- The act of signing the SLA will be binding on both parties with respect to the terms of the agreement.

2.4. Normative/informative references

- Parties shall apply the most recent edition of the documents listed in the following paragraphs.
 - **Normative**
 - 32-85 - Eskom Information Security Policy
 - 240-103185854 - Server Room RACI document between Group IT and ERE / Properties
 - 32-894 - Eskom Server Rooms and Data Centres Standard
 - **Informative**
 - ITIL best practices books (especially Supplier Management and Service Level Management books)

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3. Definitions

Definition	Explanation
Group IT - ITSM Tool	A computerised system which tracks incidents, faults and requests that are logged
Incident	An incident is any event which is not part of the standard operation of a service, and which causes, or may cause, an interruption to, or a reduction in the quality of that service
Priority 1	Severity is Critical: when the product is inoperable, and the situation is resulting in a total disruption of work. There is no workaround available. Operations are affected by the disruption, and it is critical to the business.
Priority 2	Severity is High: Operations are severely restricted. Key features are unavailable, although work can continue in a limited fashion. A workaround is available.
Priority 3	Severity is Medium: The product does not work as designed resulting in a minor loss of usage. A workaround is available.
Priority 4	Severity is Low: There is no loss of service.
Problem	Problem calls indicate that there are various incidents calls related to the same root cause.
Response	The response time is the time, measured in hours or part thereof, from the time the call is logged to the time the Service Provider's technician to arrive on site in person.
Resolution (Hardware)	Failed device should be fully operational again from a hardware perspective
User	End User / Customer
Normal Business Hours	(8x5 basis) (07:30am – 16:30pm) Monday to Friday
After hours	Hours outside normal business hours (Monday to Sunday)
Group Technology	Eskom

4. Abbreviations

Abbreviation	Explanation
Eskom	Eskom Holdings SOC Limited
ITSM	Information Technology Service Management
KPA	Key Performance Area
KPI	Key Performance Indicator
NEC	National Engineering Contract
PPE	Personal Protection Equipment
SLA	Service Level Agreement
SLM	Service Level Manager
TO	Task Order
TSC	Term Service Contract

5. Roles and responsibilities

5.1. Eskom is responsible for:

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- Reporting faults and submitting service request, excluding when the fault can be automatically detected by the solution or from inspection.
- Inform Service Provider of any change within the Data Centre and Server Room environment.
- Timely approval of billing files and after all supporting documents has been submitted.
- Provide a platform (Group IT – ITSM tool), for managing and escalating of tickets/calls

5.2. Service Provider is responsible for:

- Deliver services as outlined in the Scope of Work
- Resolution of all facility related tickets
- Log a change, present change, and solicit all necessary approvals for changes to facilities equipment that might affect Group Technology services
- Resolve incidents, request, problems and change, within agreed service levels
- Provide service reports, operational reports, maintenance reports and SLA reports on monthly basis
- Request change approval from Group Technology before conducting any maintenance / repairs to Facilities equipment that might affect Group Technology services.

6. Services and service levels

6.1. Description of service

- As described in the scope of work

6.2. Key Performance Indicators

KPI ID	KPI	KPI Description		Target Service Level	Measurement Period	Weighting
DCSR-001	System availability	Critical server room infrastructure		99.9% - (24x7 basis)	Monthly	High
DCSR-002	Change management	Priority Incidents caused by changes		<=2		Medium
DCSR-003		Unsuccessful changes (not within time, roll back required, not within scope)		<=2		Low
DCSR-004		Number of unauthorized changes		0		Medium
DCSR-005	Reporting	Percentage of Critical reports (registered in the reporting matrix) delivered on time, with agreed correct content		95%	Monthly	Low
DCSR-006	Incidents	Response time	Priority 1	Within 30 minutes (every P1 and P2 ticket)	Monthly	High
DCSR-007			Priority 2			High
DCSR-008			Priority 3	95% within 1 hour		Medium

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DCSR-009			Priority 4			Low
DCSR-010		Resolution time	Priority 1	Within 4 hours	Monthly	High
DCSR-011			Priority 2	Within 6 hours		High
DCSR-012			Priority 3	95% within 8 hours		Medium
DCSR-013			Priority 4	95% within 16 hours		Low
DCSR-014	Service requests	Response- mean time to respond to service requests		90% within next business day	Monthly	Low
DCSR-015		Request Fulfilment- mean time to fulfil service requests		90% within 3 working days	Monthly	Low
DCSR-016	Problems	Time to submit draft Root Cause Analysis Report		3 days	Monthly	Low
DCSR-017		Time to submit final Root Cause Analysis Report		10 days	Monthly	Medium
DCSR-018	Reliability	Number of P1 incidents in consecutive months.		<=1	Annually	High
DCSR-019		Number of P2 incidents in consecutive months.		<=5	Annually	Medium
DCSR-020	Maintenance schedule	Compliance to the maintenance schedule		100% (compliance to the schedule)	Monthly	Medium
DCSR-021	Deliveries	Within 2 weeks of Purchase Order (PO)		At least 90% of deliveries should be within 2 weeks	Monthly	Medium

6.3. Incident Management

- An incident is any event which is not part of the standard operation of a service, and which causes, or may cause, an interruption to, or a reduction in the quality of that service.
- Incidents can be logged manually or automatically to the Eskom Group IT – ITSM tool (by telephone or email) or via system generated call/tickets.
- Incidents will be measured on an 24x7 basis.

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- High Priority incidents will be responded to and resolved with the highest level of priority. Service Provider to update Eskom with progress feedback on high /critical severity calls every 1 hour until the problem resolved.
- Service provider to provide a standby resource after hours for high priority incidents.
- Service Provider to provide Eskom with Root Cause Analysis report for all high /critical severity calls within 10 business days from resolution.
- Service Provider will replace Service Provider provided hardware that fails to consistently achieve Eskom 's performance expectations at a threshold of 3 incidents per month related to the same root cause at no cost to Eskom.

6.4. Ad hoc Project Management

- Any service request or major change request that involves multiple components may be classified as an ad hoc project and will be managed as such.
- Service provider will work with the duly nominated Eskom main point of contact for the implementation of an ad hoc project.
- Service provider will appoint the responsible nominated main point of contact and outline the necessary activities and determine time frames for each ad hoc project implementation.
- The nominated main point of contract (or project manager) will act as the single point of contact for Eskom should:
 - Attend kick-off meeting,
 - Attend project progress meetings.
 - Plan and manage activities required for service implementation.
 - Deploy the ad hoc project within mutually agreed time frames.
- Eskom will approve the agreed Project Implementation Plan and provide the necessary support and data to enable completion of the project.
- Implementation of ad hoc projects will be measured according to the target agreed in the signed project proposal (project plan / service order).
- The project proposal should be sent to Eskom at an agreed date from date of request for proposal.
- Implementation: 100% of projects should be completed within agreed time frames, any deviations that is not prior agreed with Eskom will result in penalties at medium service weighting.

6.5. Request fulfilment (Request for a General Service and Deliveries)

- A request ticket will indicate that a service or product is desired (e.g. general request for investigation, report, etc.)
- Actual time to deliver a request will be measured during the Working Day.

6.6. Problem management

- A problem is when an element becomes faulty multiple times and/or continuously exhibiting similar behaviour. A problem needs to be analysed, and a work around should be planned, which will result into a change.
- Root Cause Analysis report must be provided to Eskom with recommended resolution for all logged problem tickets or High priority incidents within 10 days.

6.7. Change management

- Change requests indicate that something needs to be changed, moved, added, or removed.

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- All changes affecting the solution will be discussed and approved by Eskom in writing before implementation can take place in accordance with the Eskom change management process (as per the Eskom change management standard).
- The target of 100% of all change tickets will be implemented on the specific date and time as agreed by both parties.
- If it is necessary for Service Provider to interrupt any service during Working Day, prior written notification of 5 working days must be given and approved by Eskom in writing.

6.8. Reports

6.8.1.Operational Reports

- Various Monthly reports to be provided to Group Technology monthly by not later than the 5th working day of the month for the previous month's operations
- Various Weekly operational reports to be provided to Group Technology weekly by not later than Tuesday (mid-day) of the for the previous week's operations.
- The reports will be customisable to meet Group Technology operational requirements
- All the reports mentioned above must be available to Group Technology electronically via e-mail/Eskom portal.
- Data collected and proposals made because of audits will not be shared with other parties without Eskom written consent.

6.8.2.SLA Reports

- SLA Achievement of either a pass or failure will be determined monthly by reviewing the achieved percentage from the score of each KPI measured in this agreement.
- SLA reports to be provided to Group Technology monthly by not later than the 5th working day of the month for the previous month's operations
- The reports will be customisable to meet Group Technology operational requirements
- All the reports mentioned above must be available to Group Technology electronically via e-mail or Eskom portal
- Data collected and proposals made because of audits will not be shared with other parties without Eskom written consent.

6.9. Service Performance Management

- Service Performance Management will start three (3) months from the service commencement date, to perform the service to which the service levels apply as stated in section 6.2 KPI Summary– so that the service level performance will, in each month, meet, or exceed, the service level and reporting. Service levels will be measured over the duration of the contract. Depending on the period it takes to onboard the services, Eskom may elect to start to implement service performance management at any time after service commencement.
- Service Provider will provide various management reports to Eskom on a monthly basis by not later than the 5th working day of the month for the previous month's operations. The reports will be customisable to meet Eskom operational requirements and will include, but not be limited to, the following:

Initials:

- SLA Register
 - Supporting Documentation and/reports
 - Customer satisfaction reports
- All the reports mentioned above must be made available on the Eskom portal.
- Service-level reports will be compiled, and reports will be produced by Service Provider and forwarded in electronic format to Eskom's representative monthly by the 5th (fifth) working day of the month for the previous month's operations.
- Eskom will on request require access to any Service Provider's Service management software where Eskom data is hosted.
- Data collected and proposals made as a result of audits will NOT be shared with other parties without Eskom's written consent.
- The Service Provider will be responsible for monitoring and measuring its performance against the service levels in accordance with the methodology specified in section 6.2– KPI Summary.
- Service Provider will provide a report showing the service offering for each service against the incident response and resolution times and request response times as defined in this SLA. The measurement report will show performance trending for the service offerings on a monthly basis. A six-month view should be made available to do the trend analysis.
- Service-level breaches should be identified by Service Provider in the service offering reports and, on the portal, and will be monitored by Eskom. If no SLA reports are provided before the due date, the performance for that reporting month will be presumed as failed.
- Actual levels of service will be compared with agreed-on target levels on a monthly basis by both parties, and in the event of a discrepancy between actual and targeted service levels, both parties are expected to identify and resolve the reason(s) for any discrepancies in close cooperation.
- Eskom shall have the right on written notice to change, add or delete any of the service level(s) during the term of this contract. The Service Provider has 60 days of receipt of notice to implement and report on the new service level(s).
- Eskom may propose new Service Levels and/or new Key Performance Indicators ("KPI") (if required) by sending a written request to the Service Provider at least 60 (sixty) days prior to the date that Eskom requires such additional Service Levels or KPIs (as applicable) to be effective. Such written requests (which may contain multiple additions) may not occur more than twice in a calendar year. Once the Parties have agreed to the relevant changes (if any) such changes will follow the Contract Change Control process.
- This SLA is a dynamic document and will be periodically reviewed and/or changed when the following events occur:
 - Eskom's expectations and/or needs have changed.
 - Better metrics, measurement tools, and processes have evolved as per the benchmark that will be conducted in close cooperation between both parties.

6.10. Service Level review

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- Group Technology and Service Provider will hold monthly Service Review meetings to discuss the level of service offering and performance. Meetings will be scheduled by Eskom.
- This SLA is a dynamic document and will be periodically reviewed as and when required.

6.11. Excuse performance

- Service Provider will be relieved from performing its directly affected obligations pursuant to this Agreement (as applicable) if:
 - Service Provider escalate any problems, issues, risks and/or actual, potential, envisaged and/or impending delays (including if same are caused by Eskom Third Party Suppliers) (collectively referred to here as “Eskom Dependency”)
 - Any relevant non-performance directly results from Eskom’s failure to perform an Eskom Dependency will be collectively referred to here as an “Excused Event”;
 - The Service Provider recommences performance immediately following resolution of the failure to perform an Eskom Dependency.
 - Service Provider escalate any problems, issues, risks and/or actual, potential, envisaged and/or impending delays within forty-eight (48) hours of Supplier becoming aware of such Eskom Dependency which it is not able to resolve, and shall provide Eskom with a summary of the escalations on a monthly basis.
 - Service Provider shall produce a proposed plan for approval by Eskom listing all the necessary and foreseeable tasks and activities required, or a work around or a circumvention to address and mitigate such Eskom Dependency
 - The Service Provider uses Commercially Reasonable Efforts to perform (and to minimise the impact of such non-performance)

6.12. Penalties and recoveries

- Eskom will do everything within its mandate, powers, services, and capacity to ensure that customer service is the first priority and that all users of managed print services are constantly satisfied with the service.
- In the case of an element of the service levels not being achieved, a resolution or remedy process is to be engaged. A resolution or remedy will be documented by a corrective action plan tied to an agreed-on timeline to bring the services within targeted standards within a 30-day time frame. The remedy may require service delivery correction actions, the addition of incremental capacity, and modification to the service process. Should the service level remain unchanged at below service level target after implementation of the remedy, escalation letters will be issued, which may lead to invoking of penalties.
- If Service Provider fails to exceed performance target in any full calendar month, penalties will be applicable. Penalties or any recoveries will be enforced, should Service Provider breach any of the KPIs set out in this agreement. The penalties will be enforced according to the weighting of each specific KPI.
- The penalty will be calculated according to weighting percentage for the failed KPI in that reporting month. If the weighing is high, the penalty will amount to 5% of the service bill, and/or if the weighting is medium the penalty will amount to 3% of the service bill. If the weighting is low, there will be no penalty incurred. If more than one KPI is failed in a reporting period, the penalty will not be more than 10% of the service bill.

Initials:

- Breaches in service are defined as not meeting agreed KPIs over a month's time. Breaches will be recorded, classified, and reviewed on a monthly basis utilising the service-level management process.
- The penalties will be recoverable in the form of a credit note against the reporting month's Billable Schedule.
- Breaches reports and opportunities for improvement will be made available in the monthly service performance report by Service Provider.
- This agreement constitutes the sole agreement between Service Provider and Eskom, and no variation, modification, or waiver of any of the provisions of this agreement or consent to any departure from these shall, in any manner, be of any force or effect, unless confirmed in writing and signed by both parties, and such variation, modification, waiver, or consent shall be effective only in the specific instance and for the specific purpose and to the extent for which it was made or given.
- This agreement is signed on behalf of the Service Provider and Eskom, each signatory to this warranting that he/she has the requisite authority to do so.
- Eskom and Service provider will do everything within its mandate, powers, services, and capacity to ensure that customer service is the priority and that all operations are successful.
- In the event of SLA performance breach, a resolution or remedy process is to be engaged. Service provider will provide Eskom with SLA Breach Report followed by Service Improvement Plan within 10 days of SLA breach.
- A resolution or remedy will be documented by a corrective action plan tied to an agreed-on timeline to bring the services within targeted standards within an agreed time frame.
- The remedy may require service delivery correction actions, the addition of incremental capacity, and modification to the service process.
- Breaches and near breaches report and opportunities for improvement will be made available in the monthly service performance report by Service provider.

Initials:

7. Signoff

This agreement constitutes the Service Level Agreement between Service Provider (Service Provider) and Eskom (Customer), and no variation, modification, or waiver of any of the provisions of this agreement or consent to any departure from these shall, in any manner, be of any force or effect, unless confirmed in writing and signed by both parties, and such variation, modification, waiver, or consent shall be effective only in the specific instance and for the specific purpose and to the extent for which it was made or given.

This agreement is signed on behalf of the Service Provider and Eskom, each signatory to this warranting that he/she has the requisite authority to do so.

Service Provider Responsible Manager *(responsible for signing the contract on behalf of the Service Provider)*

Signed this day of 20

at (Place)

(Full name)..... (Signature)on

behalf of (Service Provider/contractor)

Eskom (Customer) *(responsible for signing the contract on behalf of Group Technology)*

Signed this day of20.....

at (Place)

(Full name)..... (Signature).....on behalf of

Witnesses

1.

2.

Initials: