



## NEC3 Term Service Contract (TSC3)

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

and  
(Reg No. \_\_\_\_\_ )

for **DREDGING OF HIGH-LEVEL AND LOW-LEVEL ASH  
WATER RETURN DAMS AT ARNOT POWER  
STATION ON AN AS-AND-WHEN-REQUIRED BASIS  
FOR 36 MONTHS**

---

| Contents:                          | No of<br>pages |
|------------------------------------|----------------|
| Part C1 Agreements & Contract Data | [•]            |
| Part C2 Pricing Data               | [•]            |
| Part C3 Scope of Work              | [•]            |

---

**CONTRACT No. [Insert at award stage]**

---

## **PART C1:      AGREEMENTS & CONTRACT DATA**

---

| <b>Contents:</b>                                             | <b>No of<br/>pages</b> |
|--------------------------------------------------------------|------------------------|
| <b>C1.1 Form of Offer and Acceptance</b>                     | <b>[•]</b>             |
| <b>C1.2a Contract Data provided by the <i>Employer</i></b>   | <b>[•]</b>             |
| <b>C1.2b Contract Data provided by the <i>Contractor</i></b> | <b>[•]</b>             |

## C1.1 Form of Offer & Acceptance

### Offer

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

**DREDGING OF HIGH-LEVEL AND LOW-LEVEL ASH WATER RETURN DAMS AT ARNOT POWER STATION ON AN AS-AND-WHEN-REQUIRED BASIS FOR 36 MONTHS** The tenderer, identified in the Offer signature block, has examined the documents listed in the Tender Data and addenda thereto and by submitting this Offer has accepted the Conditions of Tender.

By the representative of the tenderer, deemed to be duly authorised, signing this part of this Form of Offer and Acceptance the tenderer offers to perform all of the obligations and liabilities of the *Contractor* under the contract including compliance with all its terms and conditions according to their true intent and meaning for an amount to be determined in accordance with the *conditions of contract* identified in the Contract Data.

|           |                                                                      |  |
|-----------|----------------------------------------------------------------------|--|
| Options A | The offered total of the Prices exclusive of VAT is                  |  |
|           | Sub total                                                            |  |
|           | Value Added Tax @ 15% is                                             |  |
|           | The offered total of the amount due inclusive of VAT is <sup>1</sup> |  |
|           | (in words)                                                           |  |

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

Signature(s)

Name(s)

Capacity

**For the  
tenderer:**

(Insert name and address of organisation)

Name &  
signature of  
witness

Date

Tenderer's CIDB registration number:

<sup>1</sup> This total is required by the *Employer* for budgeting purposes only. Actual amounts due will be assessed in terms of the *conditions of contract*.

## Acceptance

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

The terms of the contract, are contained in:

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

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

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

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

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

Signature(s)

Name(s)

Capacity

**for the  
Employer**

\_\_\_\_\_  
(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 *Employer* prior to contract award**

Note:

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

| No. | Subject | Details |
|-----|---------|---------|
| 1   | [•]     | [•]     |
| 2   | [•]     | [•]     |
| 3   | [•]     | [•]     |
| 4   | [•]     | [•]     |
| 5   | [•]     | [•]     |
| 6   | [•]     | [•]     |
| 7   | [•]     | [•]     |

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

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

**For the tenderer:****For the Employer**

Signature

Name

Capacity

On behalf  
of*(Insert name and address of organisation)**(Insert name and address of organisation)*Name &  
signature  
of witness

Date

## C1.2 TSC3 Contract Data

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

| Clause   | Statement                                                                               | Data                                                                                                                                                    |
|----------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1        | <b>General</b>                                                                          |                                                                                                                                                         |
|          | The <i>conditions of contract</i> are the core clauses and the clauses for main Option: |                                                                                                                                                         |
|          |                                                                                         | <b>A: Priced contract with price list</b>                                                                                                               |
|          | dispute resolution Option                                                               | <b>W1: Dispute resolution procedure</b>                                                                                                                 |
|          | and secondary Options                                                                   |                                                                                                                                                         |
|          |                                                                                         | <b>X2 Changes in the law</b>                                                                                                                            |
|          |                                                                                         | <b>X17: Low service damages</b>                                                                                                                         |
|          |                                                                                         | <b>X18: Limitation of liability</b>                                                                                                                     |
|          |                                                                                         | <b>X19: Task Order</b>                                                                                                                                  |
|          |                                                                                         | <b>Z: Additional conditions of contract</b>                                                                                                             |
|          | of the NEC3 Term Service Contract April 2013 <sup>2</sup> (TSC3)                        |                                                                                                                                                         |
| 10.1     | The <i>Employer</i> is (name):                                                          | <b>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</b> |
|          | Address                                                                                 | <b>Registered office at Megawatt Park, Maxwell Drive, Sandton, Johannesburg</b>                                                                         |
|          | Tel No.                                                                                 | <b>011 800 8111</b>                                                                                                                                     |
|          | Fax No.                                                                                 | <b>N/A</b>                                                                                                                                              |
| 10.1     | The <i>Service Manager</i> is (name):                                                   | <b>Vincent Tshabane</b>                                                                                                                                 |
|          | Address                                                                                 | <b>Arnot Power Station, Rietkuil, 1097, South Africa, MP</b>                                                                                            |
|          | Tel                                                                                     | <b>013 297 9229</b>                                                                                                                                     |
|          | e-mail                                                                                  | <b>TshabaV@eskom.co.za</b>                                                                                                                              |
| 11.2(2)  | The Affected Property is                                                                | <b>Arnot Power Station</b>                                                                                                                              |
| 11.2(13) | The <i>service</i> is                                                                   | <b>DREDGING OF HIGH-LEVEL AND LOW-LEVEL ASH WATER RETURN DAMS AT ARNOT POWER STATION ON AN AS-AND-WHEN-REQUIRED BASIS FOR 36 MONTHS</b>                 |

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

11.2(14) The following matters will be included in the Risk Register

The Risk Register includes the following known constraints stated in the Service Information: operational sequencing and station discharge constraints; environmental, waste classification and ZLED compliance constraints; access, permitting, ORHVS and safety constraints; sludge-characteristic, submerged obstruction and ash dam condition constraints; and weather and site-access constraints. The *Contractor* is deemed to have allowed for these known constraints in the Prices, programme, method statements and Task Order programme. These matters do not constitute compensation events unless they arise from a *Service Manager's* instruction changing the Service Information, a breach by the *Employer*, or another compensation event expressly stated in this contract.

|          |                                                                  |                                                                                                                                                                                                                                                   |
|----------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11.2(15) | The Service Information is in                                    | Part 3: Scope of Work and all documents and drawings to which it makes reference.                                                                                                                                                                 |
| 12.2     | The <i>law of the contract</i> is the law of                     | the Republic of South Africa                                                                                                                                                                                                                      |
| 13.1     | The <i>language of this contract</i> is                          | English                                                                                                                                                                                                                                           |
| 13.3     | The <i>period for reply</i> is                                   | 5 working days                                                                                                                                                                                                                                    |
| 2        | <b>The Contractor's main responsibilities</b>                    | Data required by this section of the core clauses is also provided by the <i>Contractor</i> in Part 2 and terms in italics used in this section are identified elsewhere in this Contract Data                                                    |
| 21.1     | The <i>Contractor</i> submits a first plan for acceptance within | 3 days of the Contract Date                                                                                                                                                                                                                       |
| 3        | <b>Time</b>                                                      |                                                                                                                                                                                                                                                   |
| 30.1     | The <i>starting date</i> is.                                     | as stated in each Task Order. The starting date for each Task Order applies only to that Task Order and does not extend the overall 36 month service period unless the Parties agree otherwise in writing through an approved contract amendment. |
| 30.1     | The <i>service period</i> is                                     | 36 months from the starting date stated in the first Task Order, unless terminated earlier in accordance with this contract.                                                                                                                      |
| 4        | <b>Testing and defects</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                                                                               |
| 5        | <b>Payment</b>                                                   |                                                                                                                                                                                                                                                   |
| 50.1     | The <i>assessment interval</i> is                                | monthly, ending on the 26th day of each month.                                                                                                                                                                                                    |
| 51.1     | The <i>currency of this contract</i> is the                      | South African Rand                                                                                                                                                                                                                                |
| 51.2     | The period within which payments are                             |                                                                                                                                                                                                                                                   |

|      |                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | made is                                                                                                                            | 30 days                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 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) for amounts due in any currency other than South African Rand, the applicable benchmark interest rate for that currency as published by a recognised financial market data provider on the due date for payment, or if such benchmark is unavailable, a reasonable equivalent rate certified 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> |
| 6    | <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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 7    | <b>Use of Equipment Plant and Materials</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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 8    | <b>Risks and insurance</b>                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 80.1 | These are additional <i>Employer's</i> risks                                                                                       | No additional <i>Employer's</i> risks are identified in this Contract Data.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 9    | <b>Termination</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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 10   | <b>Data for main Option clause</b>                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| A    | <b>Priced contract with price list</b>                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 20.5 | The <i>Contractor</i> prepares forecasts of the final total of the Prices for the whole of the service at intervals no longer than | 1 week.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 11   | <b>Data for Option W1</b>                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| W1.1 | The <i>Adjudicator</i>                                                                                                             | <p>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).</p> <p>Address</p> <p>SAICE House, Thornhill Office Park, Bekker Road, Vorna Valley, Midrand, 1685, South Africa</p>                                                                                                                                                                                                                                                         |

Tel No. [•]  
Fax No. [•]  
e-mail communication@ice-sa.org.za

|         |                                                                             |                                                                                                                                                                                                                                      |
|---------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| W1.2(3) | The <i>Adjudicator nominating body</i> is:                                  | the Chairman of ICE-SA a joint Division of the South African Institution of Civil Engineering and the Institution of Civil Engineers (London) (see <a href="http://www.ice-sa.org.za">www.ice-sa.org.za</a> ) or its successor body. |
| W1.4(2) | The <i>tribunal</i> is:                                                     | arbitration                                                                                                                                                                                                                          |
| W1.4(5) | The <i>arbitration procedure</i> is                                         | the latest edition of Rules for the Conduct of Arbitrations published by The Association of Arbitrators (Southern Africa) or its successor body.                                                                                     |
|         | The place where arbitration is to be held is                                | 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.                                                                                                                                                           |

## 12 Data for secondary Option clauses

|       |                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                           |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| X2    | Changes in the law                                                                                                                                | There is no reference to Contract Data in this Option and terms in italics are identified elsewhere in this Contract Data.                                                                                                                                                                                                                |
| X17   | Low service damages                                                                                                                               |                                                                                                                                                                                                                                                                                                                                           |
| X17.1 | The <i>service level table</i> is in                                                                                                              | the service level table stated in the Service Information.                                                                                                                                                                                                                                                                                |
| X18   | Limitation of liability                                                                                                                           |                                                                                                                                                                                                                                                                                                                                           |
| X18.1 | The <i>Contractor's</i> liability to the <i>Employer</i> for indirect or consequential loss is limited to                                         | Nil - Neither Party is liable to the other for any consequential or indirect loss, including but not limited to loss of profit, loss of income or loss of revenue                                                                                                                                                                         |
| X18.2 | For any one event, the <i>Contractor's</i> liability to the <i>Employer</i> for loss of or damage to the <i>Employer's</i> property is limited to | the amount of the deductibles relevant to the event                                                                                                                                                                                                                                                                                       |
| X18.3 | The <i>Contractor's</i> liability for Defects due to his design of an item of Equipment is limited to                                             | The greater of <ul style="list-style-type: none"> <li>the total of the Prices at the Contract Date and</li> <li>the amounts excluded and unrecoverable from the <i>Employer's</i> insurance (other than the resulting physical damage to the <i>Employer's</i> property which is not excluded) plus the applicable deductibles</li> </ul> |

|            |                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| X18.4      | The <i>Contractor's</i> total liability to the <i>Employer</i> , for all matters arising under or in connection with this contract, other than the excluded matters, is limited to | <p>the total of the Prices other than for the additional excluded matters.</p> <p>The <i>Contractor's</i> total liability for the additional excluded matters is not limited.</p> <p>The additional excluded matters are amounts for which the <i>Contractor</i> is liable under this contract for</p> <ul style="list-style-type: none"> <li>• Defects due to his design, plan and specification,</li> <li>• Defects due to manufacture and fabrication outside the Affected Property,</li> <li>• loss of or damage to property (other than the <i>Employer's</i> property, Plant and Materials),</li> <li>• death of or injury to a person and</li> <li>• infringement of an intellectual property right.</li> </ul> |
| X18.5      | The end of liability date is                                                                                                                                                       | 3 months after the end of the <i>service period</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>X19</b> | <b>Task Order</b>                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| X19.5      | The <i>Contractor</i> submits a Task Order programme to the <i>Service Manager</i>                                                                                                 | within 3 working days after receipt of the Task Order or draft Task Order, and before commencement of the Task Order, for acceptance by the <i>Service Manager</i> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Z</b>   | <b>The additional conditions of contract are</b>                                                                                                                                   | <b>Z1 to Z14 always apply.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

**Z1 Cession delegation and assignment**

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

**Z2 Joint ventures**

- Z2.1 If the *Contractor* constitutes a joint venture, consortium or other unincorporated grouping of two or more persons or organisations then these persons or organisations are deemed to be jointly and severally liable to the *Employer* for the performance of this contract.
- Z2.2 Unless already notified to the *Employer*, the persons or organisations notify the *Service Manager* within two weeks of the Contract Date of the key person who has the authority to bind the *Contractor* on their behalf.
- Z2.3 The *Contractor* does not alter the composition of the joint venture, consortium or other unincorporated grouping of two or more persons without the consent of the *Employer* having been given to the *Contractor* in writing.

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

- Z3.1 Where a change in the *Contractor's* legal status, ownership or any other change to his business composition or business dealings results in a change to the *Contractor's* B-BBEE status, the *Contractor* notifies the *Employer* within seven days of the change.
- Z3.2 The *Contractor* is required to submit an updated verification certificate and necessary supporting documentation confirming the change in his B-BBEE status to the *Service Manager* within thirty days of the notification or as otherwise instructed by the *Service Manager*.
- Z3.3 Where, as a result, the *Contractor's* B-BBEE status has decreased since the Contract Date the *Employer* may either re-negotiate this contract or alternatively, terminate the *Contractor's* obligation to Provide the Service.
- Z3.4 Failure by the *Contractor* to notify the *Employer* of a change in its B-BBEE status may constitute a reason for termination. If the *Employer* terminates in terms of this clause, the procedures on termination are P1, P2 and P4 as stated in clause 92, and the amount due is A1 and A3 as stated in clause 93.

**Z4 Confidentiality**

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

**Z5 Waiver and estoppel: Add to core clause 12.3:**

- Z5.1 Any extension, concession, waiver or relaxation of any action stated in this contract by the Parties, the *Service 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 27.4**

- Z6.1 The *Contractor* undertakes to take all reasonable precautions to maintain the health and safety of persons in and about the execution of the *service*. Without limitation the *Contractor*:

- accepts that the *Employer* may appoint him as the “Principal Contractor” (as defined and provided for under the Construction Regulations 2014 (promulgated under the Occupational Health & Safety Act 85 of 1993) (“the Construction Regulations”) for the Affected Property;
- warrants that the total of the Prices as at the Contract Date includes a sufficient amount for proper compliance with the Construction Regulations, all applicable health & safety laws and regulations and the health and safety rules, guidelines and procedures provided for in this contract and generally for the proper maintenance of health & safety in and about the execution of the *service*; and
- undertakes, in and about the execution of the *service*, to comply with the Construction Regulations and with all applicable health & safety laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

Z6.2 The *Contractor*, in and about the execution of the *service*, complies with all applicable environmental laws and regulations and rules, guidelines and procedures otherwise provided for under this contract and ensures that his Subcontractors, employees and others under the *Contractor’s* direction and control, likewise observe and comply with the foregoing.

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

- Z7.1 Within one week of receiving a payment certificate from the *Service Manager* in terms of core clause 51.1, the *Contractor* provides the *Employer* with a tax invoice in accordance with the *Employer’s* procedures stated in the Service Information, showing the amount due for payment equal to that stated in the payment certificate.
- Z7.2 If the *Contractor* does not provide a tax invoice in the form and by the time required by this contract, the time by when the *Employer* is to make a payment is extended by a period equal in time to the delayed submission of the correct tax invoice. Interest due by the *Employer* in terms of core clause 51.2 is then calculated from the delayed date by when payment is to be made.
- Z7.3 The *Contractor* (if registered in South Africa in terms of the companies Act) is required to comply with the requirements of the Value Added Tax Act, no 89 of 1991 (as amended) and to include the *Employer’s* VAT number 4740101508 on each invoice he submits for payment.

## **Z8 Notifying compensation events**

- Z8.1 Delete the last paragraph of core clause 61.3 and replace with:

If the *Contractor* does not notify a compensation event within eight weeks of becoming aware of the event, he is not entitled to a change in the Prices.

## **Z9 Employer’s limitation of liability**

- Z9.1 The *Employer’s* liability to the *Contractor* for the *Contractor’s* indirect or consequential loss is limited to R0.00 (zero Rand)
- Z9.2 The *Contractor’s* entitlement under the indemnity in 82.1 is provided for in 60.1(12) and the *Employer’s* liability under the indemnity is limited to compensation as provided for in core clause 63 and X19.11 if Option X19 Task Order applies to this contract.

## **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.

Z10.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Service when the approved contract value is fully utilised, unless the Parties agree otherwise in writing through an approved contract amendment or extension. This contract is on an as-and-when-required basis and does not create any guaranteed quantity, minimum spend, minimum Task Order value or entitlement to payment unless the service has been instructed through an issued Task Order and assessed in accordance with the accepted Price List. This does not limit either Party's rights to terminate in accordance with the termination provisions of this contract.

## Z11 Ethics

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

|                           |                                                                                                                                                                                                                                                                    |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Affected Party</b>     | means, as the context requires, any party, irrespective of whether it is the <i>Contractor</i> 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>Contractor</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.                                                                                                                                              |

Z11.1 A Committing Party may not take any Prohibited Action during the course of the procurement of this contract or in execution thereof.

Z11.2 The *Employer* may terminate the *Contractor's* obligation to Provide the Services if a Committing Party has taken such Prohibited Action and the *Contractor* did not take timely and appropriate action to prevent or remedy the situation, without limiting any other rights or remedies the *Employer* has. It is not required that the Committing Party had to have been found guilty, in court or in any other similar process, of such Prohibited Action before the *Employer* can terminate the *Contractor's* obligation to Provide the Services for this reason.

Z11.3 If the *Employer* terminates the *Contractor's* obligation to Provide the Services for this reason, the amounts due on termination are those intended in core clauses 92.1 and 92.2.

Z11.4 A Committing Party co-operates fully with any investigation pursuant to alleged Prohibited Action. Where the *Employer* does not have a contractual bond with the Committing Party, the *Contractor* ensures that the Committing Party co-operates fully with an investigation.

## Z12 Insurance

### Z 12 .1 Replace core clause 83 with the following:

**Insurance cover 83**

- 83.1 When requested by a Party, the other Party provides certificates from his insurer or broker stating that the insurances required by this contract are in force.
- 83.2 The *Contractor* provides the insurances stated in the Insurance Table A from the *starting date* until the earlier of Completion and the date of the termination certificate.

**INSURANCE TABLE A**

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

**Z 12.2 Replace core clause 86 with the following:**

**Insurance by the Employer**

86

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

**INSURANCE TABLE B**

| Insurance against or name of policy               | Minimum amount of cover or minimum limit of indemnity |
|---------------------------------------------------|-------------------------------------------------------|
| Assets All Risk                                   | Per the insurance policy document                     |
| Contract Works insurance                          | Per the insurance policy document                     |
| Environmental Liability                           | Per the insurance policy document                     |
| General and Public Liability                      | Per the insurance policy document                     |
| Transportation (Marine)                           | Per the insurance policy document                     |
| Motor Fleet and Mobile Plant                      | Per the insurance policy document                     |
| Terrorism                                         | Per the insurance policy document                     |
| Cyber Liability                                   | Per the insurance policy document                     |
| Nuclear Material Damage and Business Interruption | Per the insurance policy document                     |
| Nuclear Material Damage Terrorism                 | Per the insurance policy document                     |

**Z13 Nuclear Liability**

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

**Z14 Asbestos**

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

|                              |                                                                                                                                                                                                                                                                                                              |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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>Employer'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.                                                                                                    |

Z14.1 The *Employer* ensures that the Ambient Air in the area where the *Contractor* will Provide the Services conforms to the acceptable prescribed South African standard for asbestos, as per the regulations published in GNR 155 of 10 February 2002, under the Occupational Health and Safety Act, 1993 (Act 85 of 1993) ("Asbestos Regulations"). The OEL for asbestos is 0.2 regulated asbestos fibres per millilitre of air as a 4-hour TWA, averaged over any continuous period of four hours, and the short term exposure limit of 0.6 regulated asbestos fibres per millilitre of air as a 10-minute TWA, averaged over any 10 minutes, measured in accordance with HSG248 and monitored according to HSG173 and OESSM.

Z14.2 Upon written request by the *Contractor*, the *Employer* certifies that these conditions prevail. All measurements and reporting are effected by an independent, competent, and certified occupational hygiene inspection body, i.e. a SANAS accredited and Department of Employment and Labour approved AAIA. The *Contractor* may perform Parallel Measurements and related control measures at the *Contractor's* expense. For the purposes of compliance the results generated from Parallel Measurements are evaluated only against South African statutory limits as detailed in clause Z14.1. Control measures conform to the requirements stipulated in the AAIA-approved asbestos work plan.

Z14.3 The *Employer* manages asbestos and ACM according to the Standard.

Z14.4 In the event that any asbestos is identified while Providing the Services, a risk assessment is conducted and if so required, with reference to possible exposure to an airborne concentration of above the AL for asbestos, immediate control measures are implemented and relevant air monitoring conducted in order to declare the area safe.

Z14.5 The *Contractor's* personnel are entitled to stop working and leave the contaminated area forthwith

until such time that the area of concern is declared safe by either Compliance Monitoring or an AAIA approved control measure intervention, for example, per the emergency asbestos work plan, if applicable.

- Z14.6 The *Contractor* continues to Provide the Services, without additional control measures presented, on presentation of Safe Levels. The contractually agreed dates to Provide the Services, including the Completion Date, are adjusted accordingly. The contractually agreed dates are extended by the notification periods required by regulations 3 and 21 of the Asbestos Regulations, 2001.
- Z14.7 Any removal and disposal of asbestos, asbestos containing materials and waste, is done by a registered asbestos contractor, instructed by the *Employer* at the *Employer's* expense, and conducted in line with South African legislation.

## C1.2 Contract Data

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

**[Instructions to the contract compiler: (delete this notes before issue to tenderers with an enquiry)**

Whenever a cell is shaded in the left hand column it denotes this data is optional and would be required in relation to the option selected. In the event that the option is not required select and delete the whole row.]

#### Notes to a tendering contractor:

1. Please read both the both the NEC3 Term Service Contract April 2013 and the relevant parts of its Guidance Notes (TSC3-GN)<sup>3</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>Contractor</i> is (Name):<br><br>Address<br><br>Tel No.<br><br>Fax No.                                                               |      |
| 11.2(8)  | The <i>direct fee percentage</i> is                                                                                                         | %    |
|          | The <i>subcontracted fee percentage</i> is                                                                                                  | %    |
| 11.2(14) | The following matters will be included in the Risk Register                                                                                 |      |
| 11.2(15) | The Service Information for the <i>Contractor's</i> plan is in:                                                                             |      |
| 21.1     | The plan identified in the Contract Data is contained in:                                                                                   |      |
| 24.1     | The key people are:<br><br>1 Name:<br><br>Job:<br><br>Responsibilities:<br><br>Qualifications:<br><br>Experience:<br><br>2 Name:<br><br>Job |      |

<sup>3</sup> Available from Engineering Contract Strategies Tel 011 803 3008 Fax 086 5391902 or [www.ecs.co.za](http://www.ecs.co.za)

Responsibilities:

Qualifications:

Experience:

CV's (and further key person's data including CVs) are in \_\_\_\_\_.

|          |                                                    |
|----------|----------------------------------------------------|
| <b>A</b> | <b>Priced contract with price list</b>             |
| 11.2(12) | The <i>price list</i> is in _____                  |
| 11.2(19) | The tendered total of the Prices is <b>R</b> _____ |
| <b>C</b> | <b>Target contract with price list</b>             |
| 11.2(12) | The <i>price list</i> is in _____                  |
| 11.2(20) | The tendered total of the Prices is <b>R</b> _____ |
| <b>E</b> | <b>Cost reimbursable contract</b>                  |
| 11.2(12) | The <i>price list</i> is in _____                  |

**PART 3: SCOPE OF WORK - DREDGING OF HIGH-LEVEL AND LOW-LEVEL ASH WATER RETURN DAMS AT ARNOT POWER STATION ON AN AS-AND-WHEN-REQUIRED BASIS FOR 36 MONTHS**

| Document reference | Title                                   | No of pages |
|--------------------|-----------------------------------------|-------------|
|                    | This cover page                         | 1           |
| C3.1               | <i>Employer's</i> Service Information   |             |
| C3.2               | <i>Contractor's</i> Service Information |             |
|                    | Total number of pages                   |             |

## C3.1: EMPLOYER'S SERVICE INFORMATION

### Contents

Part 3: Scope of Work - DREDGING OF HIGH-LEVEL AND LOW-LEVEL ASH WATER RETURN DAMS AT ARNOT POWER STATION ON AN AS-AND-WHEN-REQUIRED BASIS FOR 36 MONTHS 20

|                                                                                            |         |
|--------------------------------------------------------------------------------------------|---------|
| C3.1: Employer's service Information                                                       | xxi     |
| 1 Description of the <i>service</i>                                                        | xxiii   |
| 1.1 Executive overview                                                                     | xxiii   |
| 1.2 <i>Employer's</i> requirements for the <i>service</i>                                  | xxiii   |
| 1.2.1 Dredging, cleaning and associated scope                                              | xxiii   |
| 1.2.2 Bathymetric surveys, measurement records and indicative sludge quantities            | xxiii   |
| 1.3 Interpretation and terminology                                                         | xxiv    |
| 2 Management strategy and start up.                                                        | xxiv    |
| 2.1 The <i>Contractor's</i> plan for the <i>service</i>                                    | xxiv    |
| 2.2 Management meetings                                                                    | xxv     |
| 2.3 <i>Contractor's</i> management, supervision and key people                             | xxvi    |
| 2.4 Provision of bonds and guarantees                                                      | xxviii  |
| 2.5 Documentation control                                                                  | xxviii  |
| 2.6 Invoicing and payment                                                                  | xxviii  |
| 2.7 Contract change management                                                             | xxix    |
| 2.8 Records of Defined Cost to be kept by the <i>Contractor</i>                            | xxx     |
| 2.9 Insurance provided by the <i>Employer</i>                                              | xxx     |
| 2.10 Training workshops and technology transfer                                            | xxxi    |
| 2.11 Design and supply of Equipment                                                        | xxxi    |
| 2.12 Things provided at the end of the <i>service period</i> for the <i>Employer's</i> use | xxxi    |
| 2.12.1 Equipment                                                                           | xxxi    |
| 2.12.2 Information and other things                                                        | xxxi    |
| 2.13 Management of work done by Task Order                                                 | xxxii   |
| 3 Health and safety, the environment and quality assurance                                 | xxxii   |
| 3.1 Health and safety risk management                                                      | xxxii   |
| 3.2 Environmental constraints and management                                               | xxxii   |
| 3.3 Quality assurance requirements                                                         | xxxiii  |
| 4 Procurement                                                                              | xxxiv   |
| 4.1 People                                                                                 | xxxiv   |
| 4.1.1 Minimum requirements of people employed                                              | xxxiv   |
| 4.1.2 BBEE and preferencing scheme                                                         | xxxiv   |
| 4.1.3 Accelerated Shared Growth Initiative – South Africa (ASGI-SA)                        | xxxv    |
| 4.2 Subcontracting                                                                         | xxxv    |
| 4.2.1 Preferred subcontractors                                                             | xxxv    |
| 4.2.2 Subcontract documentation, and assessment of subcontract tenders                     | xxxvi   |
| 4.2.3 Limitations on subcontracting                                                        | xxxvi   |
| 4.2.4 Attendance on subcontractors                                                         | xxxvi   |
| 4.3 Plant and Materials                                                                    | xxxvii  |
| 4.3.1 Specifications                                                                       | xxxvii  |
| 4.3.2 Correction of defects                                                                | xxxvii  |
| 4.3.3 <i>Contractor's</i> procurement of Plant and Materials                               | xxxvii  |
| 4.3.4 Tests and inspections before delivery                                                | xxxvii  |
| 4.3.5 Plant & Materials provided "free issue" by the <i>Employer</i>                       | xxxvii  |
| 4.3.6 Cataloguing requirements by the <i>Contractor</i>                                    | xxxvii  |
| 5 Working on the Affected Property                                                         | xxxviii |
| 5.1 <i>Employer's</i> site entry and security control, permits, and site regulations       | xxxviii |
| 5.2 People restrictions, hours of work, conduct and records                                | xxxviii |
| 5.3 Health and safety facilities on the Affected Property                                  | xxxviii |
| 5.4 Environmental controls, fauna & flora                                                  | xxxviii |

|        |                                                                  |         |
|--------|------------------------------------------------------------------|---------|
| 5.5    | Cooperating with and obtaining acceptance of Others.....         | xxxviii |
| 5.6    | Records of <i>Contractor's</i> Equipment.....                    | xxxviii |
| 5.7    | Equipment provided by the <i>Employer</i> .....                  | xxxviii |
| 5.8    | Site services and facilities .....                               | xxxviii |
| 5.8.1  | Provided by the <i>Employer</i> .....                            | xxxviii |
| 5.8.2  | Provided by the <i>Contractor</i> .....                          | xxxix   |
| 5.9    | Control of noise, dust, water and waste .....                    | xxxix   |
| 5.10   | Hook ups to existing works.....                                  | xxxix   |
| 5.11   | Tests and inspections.....                                       | xxxix   |
| 5.11.1 | Description of tests and inspections .....                       | xxxix   |
| 5.11.2 | Materials facilities and samples for tests and inspections ..... | xxxix   |
| 6      | List of drawings .....                                           | xxxix   |
| 6.1    | Drawings issued by the <i>Employer</i> .....                     | xxxix   |

## Description of the service

### Executive overview

This Service Information describes the as-and-when-required dredging, cleaning, sludge removal, vegetation removal, transportation, disposal and associated support services for the High-Level and Low-Level Ash Water Return Dams at Arnot Power Station. The service is required to support Arnot Power Station's Zero Liquid Effluent Discharge requirements, maintain dam storage and recovery capacity, prevent uncontrolled release of ash water or slurry, and ensure that all works are executed safely, environmentally responsibly and without compromising the integrity of the dam embankments, penstocks, culverts, solution trenches, pipelines, roads or associated infrastructure.

### Employer's requirements for the service

#### 1.2.1 Dredging, cleaning and associated scope

*The Contractor shall provide all labour, supervision, plant, equipment, materials, transport, consumables and services required for dredging and cleaning of the following facilities:*

- HLAWR 1, HLAWR 2, HLAWR 3 and HLAWR 4.
- LLAWR 1, also referred to as Penstock 5.
- LLAWR 2A and LLAWR 2B.
- Seepage Dams forming part of the Ash Water Return system.

The scope includes, but is not limited to, the following activities:

- Pre-dredging and post-dredging bathymetric surveys to determine sludge quantities, profiles, dredging extents and achieved dredging performance.
- Desludging, dredging, pumping, agitation, dewatering, conditioning, loading, transportation and disposal of sludge or ash slurry.
- Removal, handling, dewatering and disposal of vegetation, reeds and other organic growth within the basin areas.
- Jet-rodding and cleaning of inlet and outlet pipes, culverts, penstocks and associated appurtenant structures where required.
- Spreading and compaction of disposed sludge or ash at the disposal area approved by the Service Manager.
- Rehabilitation and reinstatement of areas disturbed by the Contractor's activities.

Dredging shall be undertaken to the approved design depth of the dam or to achieve a minimum of 95% sludge removal, whichever is attainable and accepted by the Service Manager. Dredging shall not exceed the approved design elevation or disturb the in-situ basin material in a manner that compromises the integrity of the dams.

- The Contractor shall maintain dredging depth records, quantity records, daily diaries, equipment utilisation records, disposal records and before-and-after photographs.
- Any damage to dam embankments, slopes, linings, penstocks, culverts, pipelines, channels, roads or associated infrastructure caused by the Contractor shall be repaired at the Contractor's cost to the satisfaction of the Service Manager.
- The Contractor shall immediately stop work and notify the Service Manager if seepage, piping, instability, submerged obstructions, hardened ash lenses, buried debris or abandoned pipework are encountered.

#### ○ 1.2.2 Bathymetric surveys, measurement records and indicative sludge quantities

Indicative sludge quantities from the June 2025 bathymetric survey and operational experience are provided for information, planning and methodology purposes only and do not constitute guaranteed quantities or fixed payment quantities.

- HLAWR 1: dam capacity 22 730 m<sup>3</sup>; estimated sludge quantity 6 910.27 m<sup>3</sup>.
- HLAWR 2: dam capacity 22 730 m<sup>3</sup>; estimated sludge quantity 9 945.92 m<sup>3</sup>.
- HLAWR 3: dam capacity 29 100 m<sup>3</sup>; estimated sludge quantity 4 629.65 m<sup>3</sup>.
- HLAWR 4: dam capacity 160 000 m<sup>3</sup>; estimated sludge quantity to be confirmed by survey.

- LLAWR 2A and 2B: dam capacity 23 040.613 m<sup>3</sup>; estimated sludge quantity 4 608.123 m<sup>3</sup>.
- LLAWR 1 / Penstock 5: dam capacity 62 973.721 m<sup>3</sup>; estimated sludge quantity 50 378.977 m<sup>3</sup>.
- Seepage Dams: dam capacity 4 000 m<sup>3</sup>; estimated sludge quantity 4 000 m<sup>3</sup>.

For dredging activities, the accepted Price List / Price Schedule shall be the contractual reference for the applicable priced items, rates, measurement basis and quantities to be dredged for payment purposes. The expected sludge quantities stated in this Service Information, including the indicative quantities derived from bathymetric surveys or operational experience, are provided for information, planning, methodology and tendering purposes only. Such quantities shall not be regarded as guaranteed quantities, fixed quantities, minimum quantities or payment quantities unless expressly stated in the accepted Price List / Price Schedule and certified by the Service Manager.

- The Contractor shall submit all survey reports to the Service Manager for acceptance.
- The Contractor shall keep daily records of dredging depth, quantity removed, equipment used, disposal location, date, time, dam cleaned and environmental observations.
- Indicative quantities shall not be used by the Contractor to justify a rate adjustment, additional payment or compensation event solely because actual quantities differ from the estimates.

## Interpretation and terminology

- **Amphibious Excavator:** A specialized excavation machine capable of operating on both land and in shallow water/soft terrain, equipped with pontoon-type undercarriages or similar flotation devices.
- **Cement Channel:** Refers to the concrete-lined channels or structures associated with the penstock or dam infrastructure, which require protection during the cleaning operations.
- **Debris:** Any unwanted material, including but not limited to, branches, leaves, plastic, general waste, and other foreign objects found within the seepage dams or penstock.
- **Penstock:** A conduit or pipe that conveys water under pressure from a dam or reservoir to a turbine or other water-powered machinery.
- **Silt:** Fine particulate sediment, typically composed of clay and sand, accumulated at the bottom of the seepage dams and penstock.
- **Silt Lining:** The impermeable or semi-permeable material (e.g., geotextile fabric, HDPE liner) laid out to prevent contamination of the ground by the removed silt and to facilitate its drying.
- **Vegetation:** Plant growth, including but not limited to, reeds, grasses, weeds, and aquatic plants, found within the seepage dams or penstock.

The following abbreviations are used in this Service Information:

| Abbreviation | Meaning given to the abbreviation |
|--------------|-----------------------------------|
| OBL          | Outside battery limits            |
| EMP          | Environmental Management Plan.    |

## Management strategy and start up.

### The Contractor's plan for the service

The Contractor's plan for the service shall be a comprehensive document demonstrating their understanding of the Service Information and their proposed approach to delivering the works safely, efficiently, and to the required quality standards. The plan shall include, but not be limited to, the following:

- Detailed Work Methodology: A step-by-step description of how each aspect of the cleaning service will be carried out for both seepage dams and the penstock, including:
  - Specific techniques for silt, vegetation, and debris removal.
  - Procedures for operating the amphibious excavator in various conditions (e.g., shallow water, soft ground).
  - Detailed plan for silt extraction, transport, and placement on the designated lining, including measures to prevent contamination and promote drying.

- Specific measures and sequence for protecting cement channels during penstock cleaning.
- Dewatering procedures for the penstock, if applicable.
- Resource Allocation: A breakdown of the plant, equipment (including detailed specifications of the amphibious excavator and any specialized attachments), labor, and materials to be utilized for each task, along with their availability and deployment schedule.
- Programme of Works: A detailed and realistic program, including critical path activities, dependencies, and milestones, demonstrating how the work will be completed within the specified timeframe.
- Quality Plan: A comprehensive plan outlining the quality control measures, inspection regimes, and acceptance criteria for all aspects of the service.
- Environmental Management Plan: A detailed plan addressing all environmental considerations, including waste management, pollution prevention, and specific measures for managing silt and protecting the surrounding ecosystem.
- Health and Safety Plan: A robust plan detailing all health and safety procedures, risk assessments, emergency response protocols, and site-specific safety measures, particularly for working with the amphibious excavator and in confined spaces (if applicable).
- Site Layout and Logistics Plan: Drawings or diagrams illustrating the proposed site layout, including access routes, temporary facilities, material storage areas (especially for silt), and traffic management plans.
- Communication and Reporting Plan: A clear outline of how communication will be managed between the Contractor, Service Manager, and other stakeholders, including reporting frequencies and formats.
- Contingency Plans: Strategies for addressing potential delays, unforeseen ground conditions, equipment breakdowns, or other disruptions.
- Permit and Approval Schedule: A list of all required permits and approvals, along with the Contractor's plan for obtaining and maintaining them.

## Management meetings

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

| Title and purpose                                                                                                          | Approximate time & interval               | Location                    | Attendance by:                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Regular Progress Meetings <ul style="list-style-type: none"> <li>• Review progress against the accepted program</li> </ul> | 07h15, Every Monday, Wednesday and Friday | Operating Support Boardroom | Attendance is required by the Service Manager, the Contractor's Project Manager, and any other personnel relevant to the specific early warning issue. |
| Technical Meetings                                                                                                         | As and when required                      | Ms Teams or Operating       | <i>Attendance is required</i>                                                                                                                          |

|                                                                                                                                                                                                                                                               |                                                                                                        |                                         |                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>Review HSE performance, discuss incidents (if any), review and update HSE plans, and ensure compliance with all relevant regulations</li> </ul>                                                                        |                                                                                                        | Support Boardroom                       | <i>by the Service Manager, the Contractor's HSE Officer, and relevant site supervisors</i>                                                             |
| <b>Early Warning Meetings</b> <ul style="list-style-type: none"> <li>convened promptly by either the Service Manager or the Contractor upon identification of any matter that could affect the service, its cost, or its completion date</li> </ul>           | Duration will vary depending on the complexity of the issue, but typically aims for a quick resolution | Ms Teams or Operating Support Boardroom | Attendance is required by the Service Manager, the Contractor's Project Manager, and any other personnel relevant to the specific early warning issue. |
| <b>Occupational Health, Safety, and Environmental (OHSE) Meetings:</b> <ul style="list-style-type: none"> <li>review HSE performance, discuss incidents (if any), review and update HSE plans, and ensure compliance with all relevant regulations</li> </ul> | Monthly                                                                                                | Operating Support Boardroom             | Employer<br>Service Manager<br>Contractor's SHE officer<br>Contractor's Supervisors                                                                    |
| <b>Close-out Meeting:</b> <ul style="list-style-type: none"> <li>review overall performance, discuss lessons learned, and confirm the satisfactory completion of all contractual obligations</li> </ul>                                                       | once                                                                                                   | Operating Support Boardroom             | Attendance is required by the Service Manager, the Contractor's Project Manager, and other key personnel involved in the project.                      |

Meetings of a specialist nature may be convened as specified elsewhere in this Service Information or if not so specified by persons and at times and locations to suit the Parties, the nature and the progress of the *service*. Records of these meetings shall be submitted to the *Service Manager* by the person convening the meeting within five days of the meeting.

All meetings shall be recorded using minutes or a register prepared and circulated by the person who convened the meeting. Such minutes or register shall not be used for the purpose of confirming actions or instructions under the contract as these shall be done separately by the person identified in the *conditions of contract* to carry out such actions or instructions.

### **Contractor's management, supervision and key people**

The Employer requires the Contractor to establish and maintain a robust organizational structure for the effective management and supervision of the service. This includes the following:

- **Organizational Chart (Organogram):** The Contractor shall submit a detailed organizational chart (organogram) clearly depicting the lines of authority and responsibility for all personnel involved in the service, from senior management to site operatives. This chart shall identify all key roles, their reporting relationships, and lines of communication. **If the Contractor is a Joint Venture, the organogram must clearly illustrate the structure and responsibilities within the joint venture, including how decisions are made and communicated between the joint venture partners and to the Service Manager.**
- **Project Manager:** The Contractor shall appoint a dedicated Project Manager who will be the primary point of contact for the Service Manager. The Project Manager shall have demonstrated experience in managing similar projects, possess strong leadership and communication skills, and be empowered to make decisions on behalf of the Contractor regarding the day-to-day execution of the service. Their CV and relevant qualifications shall be submitted for the Service Manager's approval.
- **Site Supervision:** The Contractor shall provide adequate and competent site supervision at all times when work is being carried out. Site supervisors shall be responsible for the direct oversight of work activities, ensuring adherence to the Contractor's plan, quality standards, and health and safety procedures. They shall have the authority to implement immediate corrective actions as required.
- **Key Personnel Identification:** In addition to the Project Manager, the Contractor shall identify other key personnel critical to the successful delivery of the service, such as:
  - **Health, Safety, and Environmental (HSE) Officer:** A qualified and experienced individual responsible for implementing and monitoring the HSE Plan, conducting site inspections, and ensuring compliance with all HSE regulations.
  - **Amphibious Excavator Operator(s):** Certified and experienced operators for the amphibious excavator, demonstrating proficiency in safe and efficient operation in the specified site conditions. Their certifications and experience records shall be provided.
  - **Quality Control Lead:** An individual responsible for overseeing the implementation of the Quality Plan, conducting quality inspections, and maintaining quality records.
- **Personnel Qualifications and Experience:** The Contractor shall provide detailed CVs, qualifications, and evidence of relevant experience for all identified key personnel. The Service Manager reserves the right to approve or reject proposed key personnel based on their qualifications and experience.
- **Replacement of Key Personnel:** In the event that any key personnel need to be replaced during the service period, the Contractor shall propose a replacement of equivalent or superior qualifications and experience for the Service Manager's approval prior to the replacement commencing work.
- **Communication and Reporting Lines:** The Contractor shall clearly define internal communication and reporting lines to ensure that information flows efficiently within their organization and to the Service Manager.
- **Availability of Key Personnel:** Key personnel, particularly the Project Manager and Site Supervisors, shall be available on site or readily contactable during all working hours to ensure effective oversight and immediate response to any issues.
- **Language Proficiency:** All key personnel and site supervisors shall be proficient in English to ensure clear and unambiguous communication with the Service Manager and other stakeholders.
- **Decision-Making Authority:** The Contractor shall ensure that personnel assigned to key roles have the necessary authority to make decisions and take actions required for the efficient execution of the service and resolution of day-to-day issues without undue delay.

## Provision of bonds and guarantees

N/A

## Documentation control

The Employer requires the Contractor to implement and maintain a robust documentation control system to ensure that all project-related documents are managed effectively throughout the service period. This system shall facilitate the accurate creation, review, approval, distribution, revision, and archiving of all relevant documentation. The documentation control system shall include, but not be limited to, the following:

- **Document Register:** The Contractor shall maintain a comprehensive document register that lists all project documents, including their unique identification numbers, titles, revision numbers, dates of issue, and current status (e.g., draft, for review, approved, superseded).
- **Document Identification:** All documents shall be clearly identified with a unique document number, title, and revision number.
- **Version Control:** A clear system for managing document revisions shall be in place, ensuring that only the latest approved versions are in use. Previous versions shall be archived and retrievable.
- **Approval Process:** A defined process for the review and approval of all key documents (e.g., plans, method statements, reports) by authorized personnel, including the Service Manager where specified.
- **Distribution and Access:** A controlled system for distributing documents to relevant parties and ensuring that all personnel have access to the current and applicable documentation. Electronic distribution methods are encouraged.
- **Record Keeping:** The Contractor shall maintain accurate and complete records of all communications, instructions, requests for information, early warning notices, compensation events, and other project correspondence.
- **Confidentiality:** The Contractor shall ensure the confidentiality of all sensitive project documentation and information.
- **Handover Documentation:** Upon completion of the service, the Contractor shall prepare and submit a complete set of handover documentation, including as-built records, maintenance manuals (if applicable), and all final reports, in a format agreed with the Service Manager.
- **Electronic Document Management:** The Contractor is encouraged to utilize an electronic document management system (EDMS) to facilitate efficient control, storage, and retrieval of documents. Details of the proposed EDMS (if any) shall be provided.
- **Storage and Archiving:** A plan for the secure storage and archiving of all project documents, both during and after the service period, in accordance with legal and contractual requirements.

## Invoicing and payment.

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

The *Contractor* shall address the tax invoice to  
[invoiceseskomlocal@eskom.co.za](mailto:invoiceseskomlocal@eskom.co.za)  
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)

**Payment basis and quantity precedence:** For dredging activities, the accepted Price List / Price Schedule shall be the contractual reference for the applicable priced items, rates, measurement basis and quantities to be dredged and paid. Any sludge quantities, dam capacities, dimensions, estimates or expected volumes stated in this Service Information, the Scope of Work, surveys, drawings or technical descriptions are indicative only and are provided for information, planning, methodology and tendering purposes. Such indicative quantities do not constitute guaranteed quantities, fixed quantities, minimum quantities, or quantities to be used for payment unless they are expressly included in the accepted Price List / Price Schedule and certified by the Service Manager.

Where the Price List / Price Schedule provides for payment on a measurable quantity basis, payment shall be based only on quantities measured, verified, accepted, and certified by the Service Manager using the agreed measurement method, which may include approved pre- and post-cleaning surveys, disposal records, weighbridge tickets, completion records, or other documentary evidence required by the Service Manager.

Where the Price List / Price Schedule provides for payment on an activity, task, dam-cleaning, or completion basis, payment shall be based on satisfactory completion of the relevant priced activity or task as accepted and certified by the Service Manager, and not on the actual volume, mass, or time taken unless expressly stated otherwise in the Price List / Price Schedule.

For the avoidance of doubt, the expected sludge quantities stated in this Service Information are indicative only and shall not be used by the Contractor to justify additional payment, a rate adjustment, or a compensation event solely because the actual quantities differ from the indicative quantities, unless such entitlement is expressly provided for in the accepted Price List / Price Schedule and accepted by the Service Manager.

## Contract change management

The Employer requires the Contractor to implement a systematic and transparent process for managing all changes to the contract in accordance with the NEC3 Term Service Contract (TSC) conditions. This includes, but is not limited to, the following procedures:

- **Early Warning Notices:** The Contractor shall promptly notify the Service Manager of any matter which could affect the service, its cost, or its completion date by issuing an Early Warning Notice (EWN) as per core clause 15. This proactive approach is essential for identifying potential changes and collaboratively seeking solutions.
- **Compensation Events:** The Contractor shall notify the Service Manager of any event which is a compensation event as defined in the contract, in accordance with the timescales and procedures stipulated in the NEC3 TSC. This includes providing details of the event, its effects on the service, and any proposed changes to the Price List or Completion Date.
- **Quotations for Proposed Instructions:** When instructed by the Service Manager to provide a quotation for a proposed instruction (e.g., a change to the scope of service), the Contractor shall submit a detailed quotation within the specified timeframe. The quotation shall clearly itemize the cost implications, impact on the program, and any other relevant effects.
- **Assessment of Compensation Events:** The Contractor shall provide all necessary information and support to the Service Manager for the assessment of compensation events, ensuring that assessments are fair and accurate.
- **Implementation of Instructions:** Once an instruction or change is agreed upon and issued by the Service Manager, the Contractor shall promptly implement the change in accordance with the revised scope, program, and Price List.
- **Record Keeping of Changes:** The Contractor shall maintain a comprehensive register of all Early Warning Notices, Compensation Events, and issued instructions, including their status, agreed

resolutions, and financial implications. This register shall be available for review by the Service Manager.

- **Communication of Changes:** The Contractor shall ensure that all relevant personnel are informed of any agreed changes to the contract, including updates to work methodologies, programs, and specifications.
- **Impact on Plans:** The Contractor shall update their Contractor's plan for the service, Programme of Works, Quality Plan, Environmental Management Plan, and Health and Safety Plan to reflect any agreed changes to the contract.

### **Records of Defined Cost to be kept by the *Contractor***

The Employer requires the Contractor to maintain accurate, comprehensive, and auditable records of all Defined Cost incurred in the provision of the service, in accordance with the NEC3 Term Service Contract (TSC) conditions. These records are essential for the Service Manager's assessment of compensation events and for verifying payments. The Contractor shall:

- **Maintain Detailed Records:** Keep detailed and verifiable records for all components of Defined Cost as defined in the contract, including:
  - **People:** Records of time spent by each person, their roles, and applicable rates. This includes daily timesheets, payroll records, and details of any allowances or bonuses.
  - **Equipment:** Records of plant and equipment usage, including type, hours of operation, standby time, fuel consumption, and maintenance costs. This should include details for the amphibious excavator and any other machinery used.
  - **Materials:** Invoices, delivery notes, and usage records for all materials incorporated into the service or consumed during its execution.
  - **Subcontractors:** Invoices and payment records for all subcontracted work, along with details of the scope of work performed by each Subcontractor.
  - **Other direct costs:** Records of all other direct costs incurred, such as permits, licenses, testing, and disposal fees.
- **Accessibility of Records:** Ensure that all records of Defined Cost are readily accessible for inspection and audit by the Service Manager or their authorized representatives at any reasonable time.
- **Format of Records:** Maintain records in a clear, organized, and auditable format, whether electronic or hard copy, as agreed with the Service Manager. Electronic records are preferred for ease of access and verification.
- **Submission of Information:** Provide copies of relevant Defined Cost records to the Service Manager upon request, particularly when submitting quotations for compensation events or when substantiating payment applications.
- **Compliance with NEC3:** Ensure that the record-keeping methodology and the content of the records fully comply with the definition of Defined Cost as stipulated in the NEC3 Term Service Contract.
- **Retention of Records:** Retain all records of Defined Cost for a period of not less than [Number] years after the Completion Date or as otherwise required by law, whichever is longer.

### **Insurance provided by the *Employer***

N/A

## **Training workshops and technology transfer**

N/A

## **Design and supply of Equipment**

N/A

## **Things provided at the end of the *service period* for the *Employer's* use**

### **Equipment**

None

### **Information and other things**

In accordance with NEC3 Term Service Contract (TSC) Core Clause 70.2, the Contractor is required to provide the following information and other things to the Employer at the end of the service period for the Employer's use:

- **Final Report:** A detailed final report summarizing the entire service, including but not limited to:
  - Executive summary of the works performed.
  - Methodologies employed and any deviations from the original plan.
  - Quantities of silt, vegetation, and debris removed.
  - Results of any quality control tests or inspections.
  - Environmental performance report, including waste disposal records and compliance with the EMP.
  - Health and safety performance report, including incident summaries (if any).
  - Lessons learned and recommendations for future maintenance or similar works.
  - Photographic records of the "before," "during," and "after" states of the cleaned areas.
- **Maintenance Recommendations:** A document outlining recommended future maintenance procedures and frequencies for the cleaned seepage dams and penstock to ensure their continued optimal performance and longevity. This may include suggestions for monitoring silt accumulation or vegetation growth.
- **Permit and Approval Close-Out Documentation:** Confirmation of the closure or transfer of all temporary permits and approvals obtained for the service, along with copies of final compliance certificates.
- **Warranty Information:** Details of any warranties applicable to materials or workmanship, including contact information for manufacturers or suppliers.
- **Operational Manuals/Guidelines:** If any new systems or operational procedures are introduced as part of the service that require ongoing management by the Employer, relevant operational manuals or guidelines shall be provided.
- **Digital Data:** All relevant digital data collected or generated during the service, such as survey data, environmental monitoring data, and photographic records, in a format compatible with the Employer's systems (e.g., CAD files, GIS data, high-resolution images).

## Management of work done by Task Order

The Employer requires the Contractor to implement a clear and efficient process for the management of work issued via Task Orders, in accordance with the NEC3 Term Service Contract (TSC) conditions. This ensures that additional or specific works are properly authorized, executed, and compensated. The Contractor shall:

- **Receive and Acknowledge Task Orders:** Promptly acknowledge receipt of all Task Orders issued by the Service Manager.
- **Provide Quotations for Task Orders:** For each Task Order, provide a detailed quotation for the work to be performed, including a breakdown of costs (referencing Defined Cost where applicable), a proposed program for completion, and any other relevant information required for assessment by the Service Manager. This quotation shall be submitted within the timeframe specified in the Task Order.
- **Obtain Acceptance of Task Orders:** Commence work on a Task Order only after receiving formal acceptance from the Service Manager.
- **Execute Work as per Task Order:** Carry out the work specified in each accepted Task Order diligently and in accordance with the agreed-upon scope, program, and pricing.
- **Record Keeping for Task Orders:** Maintain separate and detailed records for each Task Order, including:
  - The issued Task Order and its unique identification number.
  - The Contractor's quotation and the Service Manager's acceptance.
  - Records of work performed, including daily diaries, resource allocation, and progress against the Task Order program.
  - All costs incurred specifically for that Task Order, in accordance with the Defined Cost requirements
  - Any communications or instructions related to the Task Order.
- **Invoicing for Task Orders:** Submit invoices for work done under Task Orders in accordance with the invoicing and payment procedures outlined in Section 2.6, clearly referencing the relevant Task Order number.
- **Reporting on Task Order Progress:** Include progress on active Task Orders in regular progress meetings and relevant reports.
- **Early Warning and Compensation Events for Task Orders:** Apply the Early Warning and Compensation Event procedures to any matters arising from work done under a Task Order that could affect its scope, cost, or completion.

## Health and safety, the environment and quality assurance

### Health and safety risk management

The Contractor shall comply with the latest revision of the Occupational Health and Safety Act 85 of 1993, including applicable regulations, Arnot Power Station Contractor Health and Safety Requirements document 32-136, Eskom Life Saving Rules, Plant Safety Regulations and all applicable site safety requirements. All personnel shall attend Eskom site induction prior to commencing work. Operators and drivers shall be medically fit, trained, competent and licensed for the work and vehicles they operate. The Contractor shall provide rescue equipment for deep-water work, reflective PPE, supervision, daily risk assessments and a verified SHE file before mobilisation.

## Environmental constraints and management

The Contractor shall comply with all environmental criteria and constraints applicable to Arnot Power Station, including the requirement for zero discharge of ash water, slurry, contaminants or effluent to the Rietkuil Spruit or any natural drainage path. The Contractor shall prevent spillages, overtopping, seepage and uncontrolled release during dredging, transportation, dewatering and disposal activities. All waste classification, handling, transportation and disposal shall comply with applicable environmental legislation, Eskom requirements and instructions from the Service Manager and Environmental Management representative.

## Quality assurance requirements

The Employer requires the Contractor to implement and maintain a comprehensive Quality Management System (QMS) throughout the duration of the service to ensure that all works are performed to the highest standards of quality and in accordance with the Service Information and applicable regulations. The Contractor's quality assurance requirements include, but are not limited to, the following:

- **Quality Management System (QMS):** The Contractor shall establish, implement, and maintain a QMS that addresses all aspects of the service. This QMS should be aligned with recognized international standards (e.g., ISO 9001) or demonstrate an equivalent level of rigor. The Contractor shall submit a copy of their QMS manual or a detailed description of their quality procedures for the Service Manager's review and acceptance.
- **Quality Plan:** The Contractor shall develop and submit a project-specific Quality Plan for the Service Manager's approval. This plan shall detail how the Contractor's QMS will be applied to this particular service, including specific procedures for:
  - Inspection and testing of materials, equipment, and workmanship.
  - Control of non-conforming work and corrective actions.
  - Identification and traceability of materials and components.
  - Calibration and maintenance of measuring and monitoring equipment.
  - Handling, storage, packaging, preservation, and delivery of items.
  - Management of quality records.
- **Inspection and Testing:** The Contractor shall perform all necessary inspections and tests to verify that the service, including all components and processes, conforms to the specified requirements. This includes:
  - Pre-mobilization checks of the amphibious excavator and other equipment.
  - In-process inspections during silt removal, vegetation clearing, and penstock cleaning.
  - Post-completion inspections to confirm the cleanliness and integrity of the dams and penstock.
  - Any specific tests required by the Service Manager or relevant standards (e.g., water quality testing, structural integrity checks).
  - The Contractor shall provide a detailed inspection and test plan, including hold points for Service Manager's inspection.
- **Quality Records:** The Contractor shall maintain comprehensive and legible quality records, including inspection reports, test results, calibration certificates, material certificates, and any other documentation demonstrating compliance with the Quality Plan and Service Information. These records shall be made available to the Service Manager upon request.

- **Non-Conformance Management:** The Contractor shall establish a clear procedure for identifying, documenting, evaluating, and resolving non-conformances. This includes implementing corrective and preventive actions to prevent recurrence.
- **Competence and Training:** The Contractor shall ensure that all personnel involved in quality-related activities are competent and adequately trained for their assigned tasks. Records of training and qualifications shall be maintained.
- **Audits:** The Contractor shall facilitate and cooperate with any quality audits conducted by the Employer or their appointed representatives to assess the effectiveness of the Contractor's QMS and Quality Plan.

#### Continuous Improvement:

The Contractor is encouraged to identify opportunities for continuous improvement in their quality processes and the delivery of the service.

### Procurement

This section outlines the Employer's requirements for the Contractor's procurement procedures, particularly as they relate to the definition of Disallowed Cost as per NEC3 Term Service Contract (TSC) core clause 11.2(6). The Contractor shall establish and adhere to procurement procedures that ensure fair value, transparency, and compliance with contractual obligations.

### People

#### Minimum requirements of people employed

The Employer imposes the following constraints and requirements regarding the people employed by the Contractor to Provide the Service, beyond those related to health and safety:

- **Permits for Foreigners:** The Contractor is solely responsible for obtaining and maintaining all necessary work permits, visas, and any other legal documentation for any foreign personnel employed to provide the service. All such personnel must comply with South African immigration laws and regulations. Copies of valid permits and documentation shall be provided to the Service Manager upon request.
- **Training (Other than Health & Safety):** The Contractor shall ensure that all personnel, including Subcontractor employees, receive adequate and appropriate training relevant to their assigned tasks and the specific requirements of the service. This includes, but is not limited to, operational training for specialized equipment (e.g., amphibious excavator), environmental awareness training, and any site-specific procedural training. Records of such training and certifications shall be maintained and made available for inspection.
- **Use of Labour from Designated Areas:** The Employer encourages and, where specified in the Contract Data or relevant legislation, requires the Contractor to prioritize the recruitment of labour from designated local areas or communities surrounding the site. The Contractor shall provide a plan outlining their approach to local labour engagement and report on the number of local individuals employed.
- **Industrial Relations:** The Contractor shall establish and maintain sound industrial relations practices, ensuring compliance with all applicable South African labour laws, collective bargaining agreements, and fair employment practices. The Contractor shall be solely responsible for managing all industrial relations matters, including any disputes or grievances, and shall ensure that such matters do not disrupt the provision of the service. The Service Manager shall be informed of any significant industrial relations issues that may impact the service.

### BBBEE and preferencing scheme

The Employer requires the Contractor to comply with all applicable Broad-Based Black Economic Empowerment (BBBEE) legislation and Eskom's specific Preferencing Scheme requirements throughout the duration of the service. This includes, but is not limited to, the following:

- **BBBEE Compliance:** The Contractor shall maintain their current BBBEE status as submitted during the tender process. Any changes to the Contractor's BBBEE status must be promptly communicated to the Service Manager. The Employer reserves the right to verify the Contractor's BBBEE status at any time during the contract period.
- **Preferencing Scheme Adherence:** The Contractor shall adhere to Eskom's Preferencing Scheme, which aims to promote local content, supplier development, and enterprise development. This may include specific targets or requirements for:
  - **Local Content:** Maximizing the use of locally manufactured goods, materials, and services. The Contractor shall provide evidence of local content utilization as required.
  - **Supplier Development:** Engaging and developing small, medium, and micro-enterprises (SMMEs) and black-owned businesses within the supply chain. The Contractor shall identify and report on such engagements.
  - **Enterprise Development:** Contributing to the growth and sustainability of black-owned enterprises.
- **Reporting and Documentation:** The Contractor shall provide regular reports and maintain comprehensive documentation demonstrating their compliance with BBBEE legislation and Eskom's Preferencing Scheme requirements. This may include:
  - BBBEE certificates.
  - Details of local content procurement.
  - Records of supplier and enterprise development initiatives, including expenditure and impact.
  - Any other information or reports as stipulated by Eskom's Preferencing Scheme guidelines.
- **Audits:** The Contractor shall facilitate and cooperate with any audits conducted by the Employer or their appointed representatives to verify compliance with BBBEE and Preferencing Scheme requirements.

### **Accelerated Shared Growth Initiative – South Africa (ASGI-SA)**

N/A

### **Subcontracting**

#### **Preferred subcontractors**

The Employer may identify certain preferred subcontractors for specific elements of the service. While the Contractor remains fully responsible for the performance of all subcontracted work, the Employer's preference for certain subcontractors, if any, will be communicated by the Service Manager. The Contractor shall consider these preferences during their procurement process, provided that the preferred subcontractors meet the Contractor's and the Employer's quality, safety, and commercial requirements. The Contractor shall:

- **Consideration of Preferred Subcontractors:** Where preferred subcontractors are identified, the Contractor shall engage with them to obtain quotations and assess their suitability for the relevant scope of work.
- **Justification for Non-Selection:** If the Contractor chooses not to appoint a preferred subcontractor, they shall provide a clear and justifiable reason to the Service Manager for such a decision. This justification should be based on objective criteria such as non-compliance with quality standards, uncompetitive pricing, or inability to meet the program.

- **Compliance with Procurement Procedures:** The selection of any subcontractor, whether preferred or not, must always comply with the Contractor's established procurement procedures as outlined in Section 4, including competitive tendering requirements where applicable.
- **Contractual Responsibility:** The use of any preferred subcontractor does not relieve the Contractor of their full contractual responsibilities for the performance of the service, including quality, safety, program, and cost control.

### **Subcontract documentation, and assessment of subcontract tenders**

The Employer requires the Contractor to implement rigorous procedures for the preparation of subcontract documentation and the assessment of subcontract tenders to ensure optimal value, quality, and compliance.

### **Limitations on subcontracting**

The Employer imposes the following limitations and requirements on the Contractor's ability to subcontract any part of the service:

**Prior Approval for Subcontracting:** The Contractor shall not subcontract any portion of the service without the prior written approval of the Service Manager. This approval will be granted based on the Service Manager's assessment of the proposed subcontractor's capability, capacity, and compliance with all contractual and regulatory requirements.

**Key Service Elements:** The Contractor shall not subcontract the core elements of the service, specifically the operation of the amphibious excavator for the primary cleaning of seepage dams and the penstock, unless explicitly agreed otherwise with the Service Manager due to exceptional circumstances. The Employer expects the Contractor to directly execute these critical activities.

**Responsibility for Subcontractors:** Notwithstanding any approval to subcontract, the Contractor remains fully and solely responsible for the performance, acts, and omissions of all its subcontractors, their employees, and agents, as if they were the Contractor's own acts and omissions.

**Compliance with Contract:** All subcontracted work must be performed in full compliance with the terms and conditions of this contract, including all aspects of the Service Information, quality requirements, health and safety standards, and environmental regulations.

**No Novation:** Subcontracting does not imply any novation of the contract or direct contractual relationship between the Employer and the subcontractor.

**Reporting on Subcontracting:** The Contractor shall regularly report to the Service Manager on all current and proposed subcontracts, including the scope of work, duration, and the identity of the subcontractor.

### **Attendance on subcontractors**

The Employer requires the Contractor to provide necessary attendance on its subcontractors to ensure efficient coordination, safe execution of work, and compliance with all project requirements. This includes, but is not limited to:

**Site Access and Facilities:** The Contractor shall provide all necessary site access, temporary facilities (e.g., power, water, sanitation, laydown areas), and logistical support to its subcontractors as required for them to perform their work efficiently and safely.

**Coordination and Integration:** The Contractor is responsible for the overall coordination and integration of all subcontractor activities into the main service program. This includes scheduling, managing interfaces between different work packages, and resolving any conflicts that may arise.

**Health and Safety Oversight:** The Contractor shall maintain rigorous health and safety oversight of all subcontractor activities, ensuring that subcontractors comply with the Contractor's Health and Safety Plan (Section 6) and all applicable regulations. This includes regular site inspections, safety briefings, and incident management.

**Quality Control Oversight:** The Contractor shall implement and maintain quality control oversight of all subcontractor work to ensure that it meets the required standards and specifications. This includes reviewing subcontractor quality plans, conducting inspections, and managing non-conformances.

**Communication and Reporting:** The Contractor shall establish clear communication channels with its subcontractors and ensure that they receive all necessary information and instructions in a timely manner. The Contractor shall also ensure that subcontractors provide regular progress reports and any other required documentation.

**Supervision:** The Contractor shall provide adequate supervision of all subcontractor activities to ensure that work is performed competently and in accordance with the agreed-upon scope and methodology.

**Resolution of Issues:** The Contractor is responsible for promptly addressing and resolving any issues, disputes, or performance problems that may arise with its subcontractors, ensuring that such matters do not negatively impact the overall service delivery.

## **Plant and Materials**

### **Specifications**

The Contractor shall supply and deliver suitable dredging plant, pumps, pipelines, excavators, trucks, compactors, jet-rodding equipment, generators where required, and any ancillary equipment necessary to execute the service. Dredging plant shall have adequate reach and capacity to remove silt up to 8.0 m below the full supply level or dam crest where applicable. Equipment shall be suitable for safe operation around ash water return dams, embankments, penstocks, culverts, solution trenches, overhead power lines and wet or soft ground conditions.

### **Correction of defects**

The Contractor shall promptly correct any defects in the Service or work performed that are identified by the Service Manager or otherwise become apparent during the contract period, at no additional cost to the Employer, unless such defects are caused by the Employer's actions or omissions.

### **Contractor's procurement of Plant and Materials**

The Contractor is solely responsible for the procurement, delivery, and proper storage of all Plant and Materials required for the provision of the Service. This includes ensuring that all procured items comply with relevant South African standards, specifications, and environmental regulations.

### **Tests and inspections before delivery**

The Contractor shall perform all necessary tests and inspections of Plant and Materials prior to their delivery to the Site to ensure they meet the specified quality, performance, and safety requirements. Records of all such tests and inspections shall be maintained and made available to the Service Manager upon request.

### **Plant & Materials provided "free issue" by the Employer.**

Where the Employer provides Plant and/or Materials to the Contractor as "free issue," the Contractor shall be responsible for the safe receipt, storage, handling, protection, and incorporation of such Plant and Materials into the Service. The Contractor shall inspect free issue items upon receipt and notify the Service Manager of any defects or discrepancies without delay.

### **Cataloguing requirements by the Contractor**

The Contractor shall implement and maintain a comprehensive cataloguing system for all Plant and Materials brought onto and removed from the Site, including free issue items. This system shall provide clear

identification, quantity tracking, and location information, and be available for inspection by the Service Manager

### **Working on the Affected Property**

The Contractor shall comply with all specific requirements and regulations pertaining to working within the boundaries of Eskom's Arnot Power Station and its ash dam complex.

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

The Contractor and its employees shall comply fully with all of the Employer's site entry and security control procedures, including but not limited to, personnel vetting, vehicle inspections, mandatory site inductions, and the acquisition and display of all necessary permits and identification. All site regulations, as stipulated by Eskom, shall be strictly adhered to.

#### **People restrictions, hours of work, conduct and records**

Work shall generally be conducted during Arnot Power Station's stipulated operational hours, which will be communicated by the Service Manager.

Any deviation from agreed operating hours, including work outside normal hours or on weekends/public holidays, must be requested in advance and receive explicit approval from the Service Manager

### **Health and safety facilities on the Affected Property**

The Contractor shall make use of and ensure its employees are aware of the location and proper use of all available health and safety facilities provided on the Affected Property by the Employer, including first aid stations, emergency showers, eye wash stations, and designated medical personnel.

### **Environmental controls, fauna & flora**

The Contractor shall implement all necessary environmental controls to minimise disturbance to the surrounding environment, including strict adherence to dust suppression measures, prevention of water contamination, and appropriate management of spills. The Contractor shall take all reasonable precautions to protect local fauna and flora within and around the Affected Property. Any observed environmental incidents or damage to fauna or flora shall be immediately reported to the Service Manager.

### **Cooperating with and obtaining acceptance of Others**

The Contractor shall actively cooperate with other contractors, site personnel, and any other parties present on the Affected Property to ensure the smooth execution of the Service and avoid any conflicts or disruptions. This includes providing reasonable access, sharing information, and obtaining acceptance from relevant parties before undertaking activities that may impact their operations or property.

### **Records of Contractor's Equipment**

The Contractor shall maintain comprehensive and up-to-date records of all its Plant and Equipment utilised on the Affected Property. These records shall include details such as equipment type, identification numbers, maintenance schedules, inspection reports, and any relevant certifications, and shall be made available to the Service Manager upon request.

### **Equipment provided by the Employer**

Where the Employer provides any equipment for the Contractor's use on the Affected Property, the Contractor shall be responsible for its safe operation, routine maintenance, and security. Any defects or damage to such equipment shall be immediately reported to the Service Manager. The Contractor shall use Employer-provided equipment strictly for the purposes of the Service and in accordance with the Employer's instructions.

### **Site services and facilities**

#### **Provided by the Employer**

The Employer will provide certain site services and facilities for the Contractor's use on the Affected Property, as specified in the Contract Data or as otherwise agreed. These may include, but are not limited to, access to water points, designated waste disposal areas, and limited electricity supply. The Contractor shall use these services and facilities responsibly and efficiently, and report any faults or issues to the Service Manager promptly.

