
	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

WHRU REPLACEMENT PROJECT

SPECIAL CONDITIONS OF CONTRACT




OIL AND NATURAL GAS CORPORATION LIMITED INDIA

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

1.0 DISPOSAL OF OLD AND UNUSABLE SCRAP MATERIAL

- 1.1 Contractor shall dismantle the old unserviceable scrap materials (as per Project Scope of Work) in a planned manner so that the work progress on platform is not affected and barge deck is optimally utilised. Contractor shall make all required arrangements for clearing dismantled materials from the platforms and ensure that the same are not stored on well head platforms and process complexes. Contractor to comply with relevant rules, regulations and HSE requirements.
- 1.2 Contractor's scope with respect to scrap material is demolition / removal, safe handling, loading on cargo barges / supply vessels, sea fastening, transportation from offshore sites to Nhava yard and handing over to ONGC at Nhava yard. Providing of cargo barges / supply boats is within the Contractor's scope of work. Contractor shall provide schedule of transportation of scrap material to ONGC to enable ONGC to make necessary arrangements at Nhava yard. All the loose scrap material shall be well packed to ensure safe handling and labelled for easy identification at handing over point at Nhava yard. The scrap material manifest from offshore locations shall be signed / certified by OES appointed CA / TPI and platform (Asset) representative. There shall be official acknowledgement provided by ONGC, in the form of Delivery receipt / challan / acknowledgement.
- 1.3 Contractor shall be responsible for safe handling, transportation and handing over of all scrap materials generated during the execution of the project scope of work, at Nhava, within the quoted price.
- 1.4 Contractor to make all arrangements for handing over of the scrap at Nhava Jetty. ONGC shall not charge any cost from Contractor for berthing of their vessel for scrap delivery, however any port charges and all other charges as applicable shall be on Contractor's account which will be as per port authorities i.e. JNPT as Nhava comes under JNPT.
- 1.5 All clearances required to bring the vessel to Nhava jetty will be the Contractor's responsibility. Unloading and transportation to scrap yard at Nhava will be undertaken by ONGC. Customs charges shall also be borne by ONGC.
- 1.6 The packaging shall be done in such a way that Single scrap load for one lift should not be more than 10 tonnes and should be of suitable dimension as trailers and shore cranes will be deployed for transportation. Contractor is required to deploy the team of welder and cutter with adequate resources for facilitating the cutting of big size scrap (Over dimensional consignment-ODC). Estimated time of unloading shall be 16-18 hours alongside jetty.
- 1.7 No standby charges will be paid to contractor by Company. The bidder to take note of the above, while quoting.

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

2.0 CHANGE ORDER EVALUATION METHODOLOGY

The change order proposals / claims submitted by the Contractor shall be evaluated based on Company's change order costing methodology. Costs on elements like Project Management, Detailed Engineering, Fabrication, transportation, Installation, Hook Up, Commissioning, Taxes & Duties etc., as applicable, shall be calculated based on Company's costing methodology as detailed below:

2.1 Positive Change Order:

Sl. No.	Cost Component	Methodology
(i)	Material cost	Based on MTO pertaining to the change order verified by TPI/CA / ONGC Rep/ Consultant and Invoices establishing procurement cost of item, duly verified by Company. In case material is delivered ex-works, 4% will be added to arrive at CIF cost. In case of Air freight actual freight cost will be considered based on documentary evidence.
(ii)	Survey	The cost of survey shall be based on the actual no. of man days or barge days as applicable, for survey certified by Company / Company authorized representative. The man day rate of engineers shall be as per the rental rate schedule of contract and the barge day rate shall be as per the Contract price schedule.
(iii)	Detailed Engineering	The cost of detailed engineering shall be based on the no. of deliverables verified by Company / Company authorized representative and the rates of Engineering deliverables given in the rental rate schedule of contract. In case, due to change order, existing engineering documents are required to be revised and no new deliverables are required to be generated, the cost shall be based fixed 20 % of existing deliverable rates given in the rental rate schedule of contract. The no. of deliverables requiring change shall be verified by Company / Company authorized representative.
(iv)	Fabrication	15% of CIF material cost where onshore / offshore fabrication is involved. For offshore fabrication, barge cost shall not be considered.
(v)	Offshore transportation (Yard/ Mumbai Port to Offshore)	1. 15% of CIF material cost in case transported from vendor site to Offshore. 2. In case separate cargo vessel/ supply vessel has been exclusively used for offshore transportation, the cost for transportation shall be

		<p>worked out based on the offshore deployment of vessel, verified and certified by Company / Company authorized representative and the rate for cargo vessel as per contract.</p> <p>However, before mobilization, Contractor to ensure optimum use of Marine spread deployed with prior intimation to Company and confirmation by Company.</p>
(vi)	Offshore installation/ hook-up and commissioning	<p>1. Wherever marine spread has been used exclusively for Change order then cost for offshore activities shall be calculated based on the barge days as per DPR duly verified by Company / Company authorized representative on board of barge/ vessel and barge day rate as per the contract for the actual marine spread deployed. However, before mobilization, Contractor to ensure optimum use of Marine spread deployed with prior intimation to Company and confirmation by Company.</p> <p>2. In case marine support has been used for the work of change order along with the other works, number of barge days will be worked out by multiplying the ratio of persons used for the change order work divided by total person on board on the day of change order executed duly certified by Company / Company authorized representative. The mandays shall be pro-rated as per usage for change order work.</p> <p>3. Where ever marine support is not required, then this component shall be worked out based on man-hours and equipment deployment duly verified by Company / Company authorized representative and considering rental rates and Manhour rates provided in Contract. The consumables shall be verified by Company / Company authorized representative and cost shall be worked out based on purchase orders/Invoices.</p>
(vii)	% fee	As per contract provisions. However, % fee shall not be applicable on cost components / items wherever rates are available in the contract
(viii)	Taxes and Duties	As per actuals. However input tax credit to be availed by the Contractor and passed on to ONGC.
(ix)	Insurance	As per actuals, if Insurance is taken separately for Change order work. Payment will be made on reimbursement basis.
	Notes:	There shall be no separate claim towards as built documentation.

2.2 Negative Change Order

Sl. No.	Cost Component	Methodology
(i)	Materials	<p>1. Cost benefit due to change in material / item only, then only the difference in material cost shall be considered for arriving at the value of change order. The cost shall be calculated based on verified purchase order/ invoice for the installed material and budgetary quote for the replaced material.</p> <p>In case Contractor fails to provide the cost data as sought above, then in-house cost data will be used.</p> <p>CIF Cost: In case no supporting document is provided by the Contractor, then 4% of ex-works price will be added to arrive at CIF cost.</p> <p>2. Negative change order due to deletion of scope/ non execution as per scope.</p> <p>2.1 The cost shall be calculated considering the following:</p> <p>2.1.1 Material cost will be based on the estimated MTO and PO / Invoice of same material where ever available. In case the above documents are not available, Budgetary quote provided by the contractor shall be considered.</p> <p>In case contractor fails to provide cost data as sought above then in-house cost data will be used.</p> <p>2.1.2 Manpower/ equipment cost will be based on the estimated man hour and equipment reviewed by Company and the cost will be worked out exactly in the same manner as described above for positive change orders.</p> <p>2.1.3 The cost of detailed engineering shall be based on the no. of deliverables verified by Company/ Company authorized representative and the rates of Engineering deliverables given in the rental rate schedule of contract.</p> <p>In case executing the negative change order becomes the necessity as a result of engineering performed for the scope of work as per the contract, no engineering component will be considered for cost benefit.</p> <p>2.1.4 Deleted.</p>

		2.1.5 Taxes as applicable (as per Contract price schedule).
2	Marine Spread	<p>Wherever marine spread is required for that part of original scope which has now been deleted (negative change order) the cost of the same shall be calculated based on:</p> <p>a. Marine spread rates as per contract and time for major works shall be based on average time taken by the contractor to perform same work under the Contract.</p> <p>However, if the above data is not available, then, time as per Company's in house data is to be used.</p> <p>b. Marine spread rate as per contract and time as certified by Company's project group for minor works (for activities not covered under a. above).</p>
	Notes:	In case Contractor does not provide the datum value for negative change order within 30 days of intimation of de-scoping, ONGC at its own discretion shall withhold an interim amount as deemed fit.


Notes:

1. In case ONGC Chopper/Crew Boat and catering services at platform are utilized for positive change order, these shall be provided free of cost
2. Supporting documents shall be required for all cases except percentage fee.
In case of claims where adequate supporting documents have not been provided, rate reasonability for change order claim shall be established with reference as per in house costing methodology, (wherever available/applicable) for change order claims.
3. The requirement of marine support for execution of change order work shall be indicated at the time of taking ceiling limit approval as per applicable clause of contract.
4. Other conditions for change order claims shall be as per contract conditions.

3.0 WEATHER CONDITIONS

Contractor shall monitor the weather and operate the marine spread within the marine spread specific limiting operational parameters. In case of forecasting/ warning of emergency situations like Cyclonic conditions / Tsunami, Contractor shall communicate about the same to Company along with suitable actions being taken for ensuring safety of ONGC field installations/ facilities and deployed Barge(s)/Vessel(s)/ Manpower by the Contractor under the Contract.

Contractor shall take immediate action and communicate to the sub-contractor(s)/Barge(s)/vessel(s) operating under the contract and ensure that the

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

Barge(s)/Vessel(s) clear out of ONGC fields area and move to safe location at nearby port anchorage and keep Company updated continuously about location of barge(s)/vessel(s) along with safety of manpower till such emergency situation ceases and normal operations are restored.

In such situations, Company's decision shall be final and binding.

The same shall be dealt in accordance with GCC clause 7.5 (Force Majeure).

4.0 AUDIT OF BARGES/VESSELS

4.1 Company will carry out Audit of proposed marine spread before their deployment to field. The indicative check list for the audit is attached at C-9 and C-10. This is in addition to requirements as per clause 10.8 of GCC.

4.2 Company will also carry out periodical audits of marine spread deployment at offshore during execution of Project.

4.3 Contractor to ensure vessels comply with latest DGS guidelines & circulars.

5.0 For calculating the no. of days at Annexure-C–Price Schedule- VIII. Rental Rate Schedule following is defined:

24 hours will be considered as one equipment day and 12 hours will be considered as one-man day. Further any value less than 24 hours or 12 hours, as applicable, the day will be calculated on pro rata basis.


6.0 POLICY FOR PROVIDING PREFERENCE TO DOMESTICALLY MANUFACTURED IRON & STEEL PRODUCTS (DMI&SP)

Contractor shall comply with Government Policy for providing preference to Domestically Manufactured Iron & Steel products (DMI&SP), notified vide Gazette of India No. 324 dated 29.05.2019 read with clarification issued by MoS on the Policy and further amendments / notifications.

7.0 COMPLETION PERIOD

Time schedule to complete the job as per SOW defined in the bid, shall be 24 months from the date of NOA.

Terms and conditions of the contract shall remain the same during the entire contract period. The Bidder shall make the necessary plan to execute the complete work before the start of work and submit the same to ONGC for approval. The contractor shall submit weekly progress reports to ONGC and submit daily progress reports while working on the process platforms.

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

8.0 Responsibility of material till successful installation, commissioning and handing over to ONGC lies with contractor. Contractor shall at his own expense to arrange insurance as per provision of tender clause, to cover all risks assumed by contractor under this contract and ONGC will have no liability on this account. ONGC will provide necessary documents (if applicable) at time of claim, if any.

9.0 JOINT DELAY ANALYSIS

In order to identify project delays during the project execution and take remedial measures to address these delays, Contractor shall carry out project delay/progress analysis, on Half yearly basis and submit the report to Company. The delay/progress analysis report shall cover the following minimum information:

- i. Project Activities delayed with respect to Scheduled contract dates, with identification of activities affecting critical path of project.
- ii. Reasons for the delay
- iii. Remedial actions required for arresting the delays and to meet project milestone/completion dates.

Activity and time log sheets should be prepared on monthly basis as a part of project scheduling for activities that fall on the critical path of project schedule or likely to fall in critical path. These log sheets shall capture the delay, if any, in completion of activities/ tasks and also record the reasons for the delay and to whom (whether ONGC or contractor) such delay is attributed and need to be signed by ONGC/ONGC authorized representatives and contractor representatives. The above Log sheets shall be used while preparing the Joint Statement.

The joint statement shall be jointly prepared and signed by ONGC and Contractor on Half yearly basis.

10.0 SECURITY REGULATIONS


10.1 The personnel to be mobilized by the CONTRACTOR for the work shall:

- Be medically fit to work in offshore environment.
- Possess good conduct and discipline.
- Have cotton working dress, safety shoes, helmets, hand gloves, safety goggles, etc.

10.2 The CONTRACTOR shall observe and strictly abide by fire and safety rules of ONGC and shall:

- Maintain adequate first –aid facilities for their employees at site.
- Supply of sufficient safety kits and liveries to their employees deployed for the work on onshore terminal.
- Provide identification card for their employees deployed for the work.

10.3 Persons to be deputed under contract for working at offshore vessels/barges must have undergone training on:

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

- Helicopter under – water Escape Training (HUET)
- Survival at sea and safety.
- First-aid.
- Firefighting and fire prevention.
- Handling of hazardous chemicals as applicable.

10.4 List of authorized training institutes is as follows -

- Naval maritime Academy (NAMAC), Mumbai
- Lal bahadur shastri college of Advanced maritime studies & Research, Mumbai
- Survival System India, Mumbai
- ONGC, Advanced Training Institute, Goa
- Any other institute having valid approval of D.G. shipping, Mumbai


Cost of all such trainings shall be borne by the contractor.

11.0 PPE /KIT CARD

11.1 Provisioning:

- A. It shall be the sole responsibility of the contractor to provide the following core PPE items to his personnel before commencement of the work, as per the frequency specified in SOW.
- Ready Made cotton overall
 - Fire retardant overall
 - Industrial Safety Shoes
 - Safety Helmet
 - Clear safety goggles
 - Earmuff
 - Ear plug (reusable)
 - Hand Gloves (for drilling and work-over operation impact resistant gloves to be used and Work Specific PPE / Kits & Livery items shall also be provided by the contractor before commencement of the work.
- B. The Core PPE for contractual workers shall be of same specification (minimum), which are applicable to ONGC employees, except the colour of overall shall be other than orange and preferably maroon with Company's logo / Name of the Company.
- C. PPE/ KIT Card shall be maintained for each contract worker in following format:

Sl. No.	Particulars	Details/ Remarks
1	Name of Contractor/ Agency/Supplier	
2	Contract Details	
3	Contract Period	
4	No. of contract labour deployed	
5	Safety items/ Kit card to be issued:	

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	


Sl. No.	Name of Contract labour	Kits & Liveries / PPE issued	Date of issue	Signature of Contract labour	Signature of Contractor	Verified by PE	Remarks
1							
2							
3							

Note:

1. Safety items/ Kits and liveries listed above are indicative and can be modified according to specific work / contract requirement.
 2. Technical specifications and norms of the items listed / provided above shall be the same as applicable to regular employees of ONGC, amended or modified from time to time.
 3. Queries with regard to PPE/Kits and Liveries shall be referred to ONGC and decision of ONGC in this regard shall be final.
 4. An undertaking to be submitted by the contractor/ service provider with the bill that PPE / Kits & liveries issued in performance of the contract are without any defects and persons deployed complying with safety directives and using the protective equipment's/ clothing as per work requirements.
- D. The contractor shall be allowed to start the work only after satisfactory outcome of inspection of both registers, i.e. the stock register and that maintained for kit cards, which shall be submitted by the contractor after the placement of NOA.

11.2 Monitoring:

- A. Site supervisor of the contractor shall use daily inspection checklists to ensure that all the contractual workers are provided with suitable PPEs and the same are being used during the work. During tool box talk, the use of PPE shall be discussed by the contractor's supervisors.
- B. ONGC representative at regular intervals shall jointly check individual kit card with Contractor's Supervisor / Safety Officer at site and inspect that necessary PPE / K & L items are being provided and used during the work by contractual personnel.
- C. Installation Manager/ HSE manager shall carry out surprise check / inspection for verifying the availability of suitable core PPE and its usage by contractual workers. Whenever the contractual workers are found working without any of the core PPEs, Area Manager/HSE manager shall be empowered to stop the work.
- E. Undertaking by the contractor with bills raised for supply of Safety items / Kits and Liveries: The contractor shall provide in the following undertaking with the bills raised by him that he has provided requisite PPE/ K & L to personnel deployed in the Contract for the said period:

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

Format as Annexure to Undertaking

Name of Firm/ Agency/Contractor					
Name of Contract					
Contract Details and validity					
Details of Core Safety items and other kits and liveries:					
Sl. No.	Article	Quantity	Locations	Date of issue	Remarks

Certified That:

1. I have issued the core safety items and other general kits and liveries to personnel deployed in ONGC, specific to Job / Services as per contract agreement no.
2. All the core safety items and other general kits and liveries items are as per standard BIS/ ISO norms and have not outlived its shelf life and not in damaged / unusable conditions.
3. The safety devices and other appliances provided for the protection of personnel deployed shall be of same standard specification adopted and issued by ONGC.
4. In case of any discrepancies or irregularities in complying with safety items/ devices, then ONGC is entitled to impose penalty/ damages upon services provider, as per contract agreement.
5. A standard Safety Kit Card as per contract clause no..... is maintained at site for ready reference and inspection by PE / ONGC representatives/ Authorities.

Date:


Place:

Contractor)

(Signature & Seal of the

11.3 Actions in case of Non-Compliance:

- A. A list of PPE items issued by the contractor to the contractual workers is to be submitted by the contractor to ONGC before commencement of work along with relevant supporting documents related to PPEs provided by the contractor. The same shall be verified by the ONGC before giving clearance to start the work. In case the PPEs are not provided by the contractor before the commencement of work, mobilization by the contractor will be considered as incomplete and the LD wherever applicable as per prevailing terms of contract will be imposed.

	SPECIAL CONDITIONS OF CONTRACT	ENGINEERING & PROJECTS EXCELLENCE CENTRE (EPEC)
	WHRU REPLACEMENT PROJECT	

- B. Whenever the contractual workers are found working without any of the core PPEs, Engineer-in-charge shall be empowered to stop the work as below:
- Ask the defaulting worker to leave the site and mark him absent
 - Penalty will be imposed on contractor at the rate of Rs. 1000/- per person per day for non-use of any of the PPE items by the contractual personnel:
 - If the contractor fails to provide suitable replacement of damage / unsuitable PPEs to his personnel, contractor shall be asked to stop the work immediately till corrective actions are taken. In such a scenario, the completion date of the job will not be extended and ONGC shall not make any payment till the work is kept in suspension due to non-use of the PPEs.
- C. In case of repeated violation of non-use of PPEs by the contractual workers for more than three times in onshore operations, the Contractor will permanently remove the defaulters from the site and replace them without delay and at no extra cost to ONGC. Likewise, in case of offshore operations, for repeated violations of non-use of PPEs by the contractual workers for more than three times, ONGC shall ask the concerned contractor to send the defaulters back to base at his own expenses and suitable replacement will be provided without delay and at no extra cost to ONGC.
- D. In any extreme case, if Contractor has failed to start work on the due date, only because of non-provision of PPE, ONGC shall review the requirement and on its sole discretion decide to agree to the Contractor request for issuing PPE to its personnel on cost basis or otherwise. Contractor shall be bound by ONGC decision.

12.0 E-MEASUREMENT BOOK

Work measurement through eMB (E-Measurement Book) for milestone payment:

12.1 All work measurements/progress of work must be recorded by the contractor exclusively in the Digital e-MB portal (<https://emb.ongc.co.in>),

12.2 Bills will be processed only after measurement data entry is made in the e-MB portal.

12.3 Reference documents are available in eMB portal.

13.0 Contractor has to submit a detailed program showing the sequence, procedure and method in which he proposes to carry out the works as stipulated in the contract and for execution of the project in consultation with ONGC Engineer in-charge within 15 days of LOI/NOA for approval of ONGC. Project has to be executed as per approved plan and schedule.

14.0 In case of conflict / discrepancy / ambiguity with clauses given in the Special Conditions of Contract (SCC) and General Conditions of Contract (GCC), the clauses of SCC will override those of GCC.