

ADDENDUM

Number: 5

Issue Date: April 4, 2008

Subject: Confidentiality Agreement
Amendments to Appendix 4 (Project Description Requirements)
Amendments Concerning Variations
Amendments Concerning Indirect Interconnection
Amendment to term “RFP Administrator”

Words and phrases defined in the RFP and used in this Addendum have the meaning given in the RFP, unless otherwise defined herein. References to section numbers mean sections of the RFP, unless otherwise specified.

In relation to the amendments identified below in Sections 1 (Confidentiality Agreement) and 3 (Amendments Concerning Variations), a revised form of the Proposal Letter and accompanying Schedule A (Project Price Form) will be posted in a future addendum.

1. **Confidentiality Agreement**

Section 16 of the RFP (Proposal Requirements) is amended to provide that each submitted Proposal should include, in addition to the documents described in the five bullets at pages 8 and 9 of the RFP, two originals of an undated confidentiality agreement in the form that has been posted to the RFP Website concurrently with the issuance of this Addendum #5 (the “*Confidentiality Agreement*”), each signed by an authorized signatory of the Proponent (the “*Confidentiality Agreement Package*”), provided that a Proponent may, in its discretion, deliver its Confidentiality Agreement Package to BC Hydro prior to the delivery of its Proposal.

BC Hydro, promptly following receipt of a Confidentiality Agreement Package from a Proponent, will execute and date the enclosed original copies of the Confidentiality Agreement, and deliver one fully executed and dated original copy to the Proponent.

2. **Amendments to Appendix 4 (Project Description Requirements)**

Appendix 4 of the RFP is amended by deleting (a) Section 2.5(f)(iii), and (b) Attachment 2 (Public Utility – Consent to Disclosure).

Each Proponent of a Project that is proposed to be connected through another utility (in each case, a “*Third Party Utility*”) should request that the Third Party Utility discloses to BCTC and BC Hydro all interconnection-related information relevant to the Project that BCTC and/or BC Hydro may request, and provide to the third party utility any required consent(s).

3. **Amendments Concerning Variations**

The last paragraph of section 15 (EPA Terms and Conditions) of the RFP is deleted, and replaced with the following:

“BC Hydro will consider variations to the Specimen EPA, which:

- Are demonstrably necessary to enable the Proponent to design, build and operate its Project in compliance with the EPA (“Essential Variations”), or
- Will demonstrably enable the Proponent to provide to BC Hydro better value for money (“Value Variations”).

BC Hydro does not intend to consider variations to the Specimen EPA which:

- Depart from the firm energy and non-firm energy pricing structure, including the permissible non-firm energy pricing options, set out in the Specimen EPA,
- Reduce, condition or otherwise limit the liquidated damages payable in accordance with the Specimen EPA,
- Reduce, condition or otherwise limit the liability limitations and exclusions under the Specimen EPA, or
- Alter the treatment of energy delivered in the system freshet (as described in the EPA Term Sheet), including the constraint on system freshet energy designated as firm energy in the firm energy profile submitted with the Proposal.

Variations should be submitted in the form of a redlined version of the Specimen EPA, with a brief commentary indicating (i) whether variations are Essential Variations or Value Variations, and (ii) the reasons for the variations. BC Hydro will provide with the Specimen EPA a downloadable Word version suitable for inputting variations, with the required commentary, to facilitate Proposal preparation.

The Specimen EPA represents BC Hydro’s preferred terms and conditions.

Proponents are strongly encouraged to submit Proposals that conform to the preferred terms and conditions, and to limit variations to substantive matters of significant importance. Variations, if any, should be limited to Essential Variations and Value Variations, and reflected in specific agreement wording. BC Hydro will give priority to consideration of variations, if any, that are very clearly expressed, supported by a credible rationale, and are either Essential Variations, or Value Variations, both as defined above. See also section 19.”

The fourth bullet in section 16 (Proposal Requirements) of the RFP is deleted and replaced with the following:

“Variations Proposal (optional), containing a redlined version of the Specimen EPA, including a brief commentary indicating (i) whether variations are Essential Variations or Value Variations, and (ii) the reasons for the variations, **in six hard copies and one soft copy (on a CD-ROM).**”

Section 16 (Proposal Requirements) is further amended by adding the following new paragraph immediately following the fifth bullet:

“Proponents should note that pricing for Value Variations, if any, need not be included in the Proponent’s firm energy price quoted in Schedule A to the Proposal Letter, but may be priced separately as options, either in the aggregate or individually, and as

additions to, or deductions from, the firm energy price, as indicated in Schedule A to the Proposal Letter. Any Value Variations for which separate option prices are not included in Schedule A, will be deemed to be included in the firm energy price quoted. Essential Variations, if any, identified in the Proposal, should not be priced separately, and will be deemed to be included in the firm energy price quoted.”

Appendix 1 (Definitions) to the RFP is amended to add the following definitions:

“Essential Variations” means variations to the Specimen EPA that are demonstrably necessary to enable a Proponent to design, build and operate its Project in compliance with the EPA.

“Value Variations” means variations to the Specimen EPA that will demonstrably enable a Proponent to provide to BC Hydro better value for money.

4. **Amendments Concerning Indirect Interconnection**

Section 12 (Interconnection Matters) of the RFP is amended by inserting the following as a new paragraph immediately prior to the last paragraph of this Section:

“The foregoing paragraphs of this section 12 do not apply to Projects with indirect interconnections to the System through a third party utility. For any such Project, the Proponent should arrange for the corresponding third party utility to (i) perform an interconnection study on the Project that is valid for the state of the third party utility’s system as of 4:00 pm PPT on April 7, 2008, and (ii) submit such interconnection study to BC Hydro on or before April 21, 2008.”

The second last bullet (Interconnection Study Agreement) of section 14 (Eligible Projects) of the RFP is deleted and replaced with the following:

Interconnection Study Agreement: For Projects with indirect interconnections to the System through a third party utility, an interconnection study by the third party utility in respect of the Project should be provided to BC Hydro on or before April 21, 2008. For all other Projects, an executed Feasibility Interconnection Study agreement or Preliminary Interconnection Study agreement must be filed, together with the required deposit, by the date set out in the RFP Schedule. See section 12 for further details.”

5. **Amendment to Term “RFP Administrator”**

The RFP documents are amended by replacing the phrase “RFP Administrator”, in all places where it appears, with the phrase “RFP Administrator (Bioenergy Call – Phase 1)”