

2007 BIOENERGY RFEOI FORM

PURPOSE

BC Hydro intends to issue in 2007 a competitive call for power from generating plants located in BC that utilize sawmill residues, logging debris and beetle-killed timber as the fuel source ("2007 Bioenergy Call for Power"). BC Hydro is seeking expressions of interest from the private sector in the planned 2007 Bioenergy Call for Power.

Responses to this request for expressions of interest ("RFEOI") will assist BC Hydro to identify potential projects and fuel sources and to design an effective and efficient call for power.

Responses will also assist British Columbia Ministry of Forests and Range ("MOFR") with its determination of wood biofuel requirements.

This RFEOI is not a pre-qualification process. Failure to respond to this RFEOI will not prohibit persons from participating in the 2007 Bioenergy Call for Power. However, they forego an important opportunity to inform BC Hydro on the design of the call and MOFR on their wood biofuel requirements.

RFEOI INFORMATION SESSION

On April 3, 2007, BC Hydro, Ministry of Energy, Mines and Petroleum Resources and Ministry of Forests and Range are inviting interested parties to attend 2007 Bioenergy RFEOI Information Session in Prince George. This session is designed to provide further information in respect to the RFEOI and provide an opportunity for stakeholders to ask questions. To register, please visit www.bchydro.com/2007bioenergy.

RFEOI RESPONSE DEADLINE AND CLARIFICATION OF RESPONSES

The deadline for responses is April 17, 2007.

Upon receipt of a completed RFEOI Form, BC Hydro intends meet with each respondent to obtain further information or clarification on the responses. These meetings may include participants from MOFR, Ministry of Energy, Mines and Petroleum Resources ("MEMPR") and their respective consultants and invitees.

COMPLETING THE RFEOI FORM

This RFEOI Form is available on BC Hydro's website at www.bchydro.com/2007bioenergy. The Form is intended for one project; if you have multiple projects, please complete a separate Form for each project.

Information about the Mountain Pine Beetle and its impact on the forest with implications to potential biofuel supplies can be accessed at http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/ and <http://www.for.gov.bc.ca/hts/bioenergy>.

Please complete the Form by filling out each field that is represented by a grey box. Use drop down menus to make selections, when provided in the form. Please save the completed document in MS Word format.

BC Hydro encourages respondents to submit the Forms electronically (in MS Word format) via email to power.acquisitions@bchydro.com. Additional files can be attached as well.

If it's not possible to submit Forms electronically, hard copies of the completed RFEOI Form can be sent to:

BC Hydro and Power Authority
Power Acquisitions
10th floor, 333 Dunsmuir Street
Vancouver, BC V6B 5R3
Attention: Power Acquisitions Records Manager

For questions on how to fill out this Form, please phone (604) 623-4093.

Respondents are encouraged to complete the RFEOI Form in full. However, an incomplete Form will still be considered, but its value to BC Hydro and MOFR will be diminished.

RESPONDENTS' COSTS

BC Hydro, MOFR and MEMPR are not responsible for any costs incurred by respondents and prospective respondents in connection with this RFEOI and responses.

NO LEGAL RELATIONSHIP

This RFEOI and any responses create no contractual or legal relationship, liability or obligation of any kind between or among BC Hydro, the Province of British Columbia and respondents.

CONFIDENTIALITY

BC Hydro undertakes to treat as confidential and commercially sensitive all information contained in responses that is not, or does not become, in the public domain, including further information and clarification provided by respondents, provided that BC Hydro may disclose such information to MOFR, MEMPR and consultants or advisors upon the recipients undertaking to treat the information as confidential. BC Hydro may disclose aggregated information derived from such information without attribution to particular respondents in relation to the design and furtherance of the 2007 Bioenergy Call for Power. The foregoing is subject to disclosures required by law. BC Hydro, MOFR and MEMPR are subject to the *Freedom of Information and Protection of Privacy Act (British Columbia)*.

QUESTIONS

For questions on the RFEOI, please contact the Power Acquisition Records Manager by email at power.acquisitions@bchydro.com or by phone at 604 623-4093.

Respondent Information			
Respondent company name:			
Respondent address:			
Contact first name:		Contact last name:	
Telephone:	Email:	Fax:	
Ownership Information			
List companies, partnerships and/or individuals expected to have ownership interest in the project. If additional spaces are required, please use the Additional Project Information section.			
Name:		% ownership	
Name:		% ownership	
Name:		% ownership	
General Project Information			
Project name:			
Project location geographic region: (blank) ↓		Project location (nearest city):	
Desired COD: (MM/YYYY)	Desired contract term:		years
Direct/Indirect Interconnection: (blank) ↓		If "Indirect", describe:	
Transmission/Distribution Interconnection: (blank) ↓		Point of Interconnection:	
Site acquisition status: (blank) ↓		Is Federal or Provincial environmental assessment required? (blank) ↓	
Please describe plans for and status of consultation with any community/First Nations:			
Project Size Information			
Please complete either one of the two following sections, as appropriate.			
Project Size – New Generation			
Capacity:	MW	Expected energy based on expected fuel:	GWh/year
Project Size – Incremental Generation			
<i>Existing generation:</i>		<i>Incremental generation:</i>	
Capacity:	MW	Capacity:	MW
Energy:	GWh/year	Expected energy based on expected fuel:	GWh/year
Key Permits and Licenses Information			
<i>For permit 1:</i> Permit name :		Status of permitting: (blank) ↓	
<i>For permit 2:</i> Permit name :		Status of permitting: (blank) ↓	
<i>For permit 3:</i> Permit name :		Status of permitting: (blank) ↓	
<i>For permit 4:</i> Permit name :		Status of permitting: (blank) ↓	
<i>For permit 5:</i> Permit name :		Status of permitting: (blank) ↓	
Fuel Supply Information			
This section refers to your project's fuel source requirements. The RFEOI Form has been formatted to allow for four fuel supply sources. If additional spaces are required, please use the Additional Project Information section.			
For fuel source 1:			
Form of fuel supply: (blank) ↓		If "Other", describe:	
Required annual quantity:	Bone Dry Tonnes	Percentage of total fuel requirements:	%
Do you have Rights to the Fuel? (blank) ↓		If "Yes", specifically identify and describe your Rights to the Fuel	

	If "No", specifically identify and describe your plans to access the proposed fuel
Is that fuel currently used in any other industrial application? (blank) ↓	If "Yes", describe
For fuel source 2:	
Form of fuel supply: (blank) ↓	If "Other", describe:
Required annual quantity: bone dry tones Percentage of total fuel requirements: %	
Do you have Rights to the Fuel? (blank) ↓	If "Yes", specifically identify and describe your Rights to the Fuel
	If "No", specifically identify and describe your plans to access the proposed fuel
Is that fuel currently used in any other industrial application? (blank) ↓	If "Yes", describe
For fuel source 3:	
Form of fuel supply: (blank) ↓	If "Other", describe:
Required annual quantity: bone dry tones Percentage of total fuel requirements: %	
Do you have Rights to the Fuel? (blank) ↓	If "Yes", specifically identify and describe your Rights to the Fuel
	If "No", specifically identify and describe your plans to access the proposed fuel
Is that fuel currently used in any other industrial application? (blank) ↓	If "Yes", describe
For fuel source 4:	
Form of fuel supply: (blank) ↓	If "Other", describe:
Required annual quantity: bone dry tones Percentage of total fuel requirements: %	
Do you have Rights to the Fuel? (blank) ↓	If "Yes", specifically identify and describe your Rights to the Fuel
	If "No", specifically identify and describe your plans to access the proposed fuel
Is that fuel currently used in any other industrial application? (blank) ↓	If "Yes", describe
General Forests Operations in Crown Land Information (if applicable)	
If your proposed fuel sources include standing timber or timber piled on crown land, there are statutory and contractual obligations you may be required to hold. Based on your current understanding of wood fibre harvesting and your plans for biomass feedstock acquisition:	
What are your strategies and/or assumptions with respect to:	
a) "Work Safe BC" responsibilities (e.g. acting as prime contractor on industrial forest operations)?	
b) New forest road construction, upgrading, maintenance and deactivation?	
c) Fire hazard mitigation?	
d) Reforestation and forest protection?	
e) Payment of fees (e.g., stumpage and annual rent)?	
What are the desired rights regarding:	

a) Long term tenure on Crown land?
b) Required time/schedule to begin development of Crown timber?
Describe strategy and assumptions with respect to statutory and contractual obligations, specifically regarding:
a) Forest Stewardship Planning.
b) Timber development, timber cruising and access planning.
c) Harvest planning (cutting permit application).
Additional Project Information
<p>Please include any additional project information, such as:</p> <ul style="list-style-type: none"> • challenges/issues associated with fuel supply, including any plans using alternate fuels; • geographical definition of fuel supply, e.g. a map; • expected monthly generation profile intra-year; • expected annual generation profile inter-year; • constraints on curtailability of generation, if any; • expected economic life of generating assets; • interconnection challenges/issues; • steam host particulars if cogeneration, etc.

Please submit a soft copy of your completed Form to power.acquisitions@bchydro.com.

Thank you for participating in the 2007 Bioenergy RFEOI!

Glossary of Terms

“**Bone Dry Tonne**” equals 2.4 cubic meters.

“**COD or Commercial Operation Date**” means the date following all commissioning and testing that the project is able to achieve commercial operation and commence reliable delivery of energy to BC Hydro.

“**Crown Land**” means land, or water lots, owned by the provincial or federal government that is exempt from taxation if not occupied.

“**Direct Interconnection**” means a connection of the plant directly to the BCTC transmission system or BC Hydro distribution system without interconnecting through a third party transmission line or system (e.g. customer line, private line, Fortis transmission system, etc.).

“**Distribution Interconnection**” means a connection of the plant whereby energy is injected directly to the BC Hydro distribution system.

“**Indirect Interconnection**” means a connection of the plant to the BCTC transmission system or BC Hydro distribution system via a third party transmission line or system (e.g. customer line, private line, Fortis transmission system, etc.).

“**Key Permits**” means all of the following if and as required for the plant:

- (a) environmental assessment certificate;
- (b) air emissions permit;
- (c) any permits, licenses or approvals required with respect to the discharge of any type of waste liquids from the plant;
- (d) zoning appropriate for the plant;
- (e) any subdivision approvals required to create the site on which the plant will be located as a separate legal parcel;
- (f) any permits or approvals required with respect to the storage of the fuel supply at the plant; and
- (g) any lease, license or occupation or similar agreement required with respect to the plant including all access to the plant.

“**Mill Residue**” means wood and bark residues produced in processing logs into lumber, plywood, paper, and other wood fibre products.

“**Point of Interconnection**” means the point at which the project interconnects with the transmission or distribution system.

“**Private Land**” means land that is not Crown Land.

“**Rights to the Fuel**” means legal right to harvest or acquire and use for energy generation standing timber, roadside/landing accumulation or mill residue, whether by way of (i) Crown-granted timber tenure (i.e. a license, permit or agreement) under the *Forest Act (British Columbia)*, or (ii) ownership of land, including standing timber, or (ii) private contract.

“**Roadside / Landing Accumulation**” means slash, logging residue, and stumps created as a result of harvesting operations and the construction of roads and landings.

“**Standing Timber**” means timber that is available for harvesting.

“**Transmission Interconnection**” means a connection of the plant whereby energy is injected directly to the BCTC transmission system.