

VANCOUVER ISLAND – CALL FOR TENDERS

ADDENDUM

Addendum Number: 19
Date of Issue: 14 July 2004
Subject: Quantitative Evaluation Methodology
Project Specific Revisions – Appendix 5

1. This Addendum is issued pursuant to the BC Hydro Call for Tenders for Capacity and Associated Energy Supply on Vancouver Island, issued 31 October 2003, as amended (“CFT”).

2. Words and phrases defined in the CFT and used herein have the meanings given in the CFT, unless otherwise indicated. Refer to Appendix 1 of the CFT for definitions.

3. **Revised QEM Issued:** The QEM has been revised, is issued and posted with this Addendum in clean and blacklined form, and is available at <http://www.bchydro.com/vicft>. The blacklined form of the QEM shows changes from the prior version issued 3 May 2004. The revised QEM issued with this Addendum consolidates the quantitative evaluation methodology, and accordingly supercedes and cancels all prior versions and Addenda, which describe the quantitative evaluation methodology, or any part thereof.

4. **Revised Spreadsheets and User’s Manual:** The Tender Spreadsheet and Portfolio Spreadsheet, together with the associated User’s Manual, have been revised and are being reissued to pre-qualified bidders by e-mail. Revisions reflect changes in the QEM referenced in section 3 above. The Tender Spreadsheet, Portfolio Spreadsheet and the User’s Manual are proprietary to BC Hydro. Bidders remain bound by the license agreement contained in the manual.

5. **Further Revisions and Data Updates:** Data assumptions, inputs and sources used in the revised QEM issued with this Addendum are final and may not be further revised by BC Hydro, except as follows:

- For the purpose of ensuring that the most current Gas Price Forecast, currency exchange rate forecast information and Motor Fuel Tax rate is applied in the QEM, the following updates may be made by BC Hydro before Envelope #3 – Price Information Form is opened:
 - o If the Energy Information Administration issues a revised Reference Case Gas Price Forecast, or otherwise issues a revised “most likely” Gas Price Forecast, before the QEM is applied, then BC Hydro will update the Gas Price Forecast (and the corresponding Electricity Price Forecasts as required to reflect the revised Gas Price Forecast) in the Tender Spreadsheet to reflect that revised forecast,
 - o If BC Hydro determines that there has been a material change in currency exchange rate forecasts, then BC Hydro will update those forecasts in the

spreadsheets, using the same sources and methodology as previously used for that purpose,

- o If a change in the rate of Motor Fuel Tax, or an announcement of such change, occurs, then BC Hydro will update the spreadsheets to reflect that change,
- o BC Hydro will not notify bidders of any of the foregoing updates, and
- If the Tender Closing Time is deferred by Addendum, then data assumptions, inputs and sources used in the revised QEM may be further revised by BC Hydro by Addendum issued not later than 30 days before the revised Tender Closing Time.

Other CFT amendments may be issued by Addendum as provided in section 16 of the CFT, as amended by section 12 of Addendum 16.

6. **VIGP Benchmark:** In answer to previous Q&As, BC Hydro indicated that it would release data relative to a “VIGP benchmark”, which was referenced in the BCUC’s decision on the VIGP CPCN application. BC Hydro has determined that the benchmark is premised on out-of-date information and assumptions, which are inconsistent with the QEM. Accordingly, BC Hydro will not be publishing data relative to a VIGP benchmark as part of the CFT process.

7. **Confirmation re Project-Specific Revisions – Appendix 5:** This Addendum confirms the following as advised to bidders by e-mail on 13 July 2004 relative to the Project-Specific Revisions Submission and in particular Appendix 5 – Seller’s Plant Description of the Final Form EPA, required to be submitted therewith:

BC Hydro has determined that in completing section 1.4A of Appendix 5 – Seller’s Plant Description, bidders may either:

- Complete the information called for by that section in the form submitted with the Project-Specific Revisions Submission, or
- Omit information pertaining to “Manufacturer”, “Model” and “Key Technical Parameters” in the form submitted with the Project-Specific Revisions Submission, and provide that information with their Tender.

All other information called for by Appendix 5 must be completed in the form submitted with the Project-Specific Revisions Submission. Addendum 17 remains in full force and effect, except only as supplemented by the foregoing.

8. **Documents Issued Concurrently:** The following documents referenced herein are issued concurrently with this Addendum and are available at <http://www.bchydro.com/vicft>, or in the case of the spreadsheets and manual are issued to pre-qualified bidders by e-mail:

- Revised QEM, issued 14 July 2004 (PDF, clean and blacklined)
- Tender Spreadsheet
- Portfolio Spreadsheet
- User’s Manual