

# VANCOUVER ISLAND – CALL FOR TENDERS

## ADDENDUM

**Addendum Number: 5**

**Date of Issue: 15 December 2003**

**Subject: Notification of Network Upgrade Costs  
Must Run/Dispatchable Capacity  
Unavailable Service-Providers  
Tender and Portfolio Spreadsheets  
Bidders' Evaluation Workshop  
Extended Bidder Comment Process  
Revised Preliminary Form Agreements  
Request for BCUC Approval  
Revised CFT Schedule**

1. This Addendum is issued pursuant to the BC Hydro Call for Tenders for Capacity and Associated Energy on Vancouver Island, issued 31 October 2003 (as amended, the "CFT").
2. Words and phrases defined in the CFT, including the Preliminary Form Agreements, and used herein have the meanings given in the CFT. Refer to Appendix 1 of the CFT and Appendix 1 of the EPA for definitions.
3. Note that in accordance with section 1 of the CFT, if there is any conflict or inconsistency between or among the CFT as originally issued and any Addenda, then the document bearing the latest issue date governs.
4. ***Notification of Network Upgrade Costs:*** As described in section 7.6 of the CFT, based upon information on each project contained in the Pre-Qualification Forms, BC Hydro will make application to BCTC for a Network Upgrade Cost estimate in respect of each project, or portfolio of projects which are interdependent from a Network Upgrade Cost perspective. While BC Hydro will bear Network Upgrade Costs associated with tendered capacity, a successful bidder must post Network Upgrade Security under the EPA. The amount of that security will be determined by the estimates provided by BCTC. As a particular project may become part of more than one portfolio, the costs allocable to that project may differ from one portfolio to another. Accordingly, as soon as practicable after receipt of estimates from BCTC, BC Hydro will notify each bidder of the estimated Network Upgrade Cost, or range of Network Upgrade Costs, that are allocable to each proposed Tender to be submitted by the bidder, so each bidder will know well before the Tender Closing Time the maximum amount of Network Upgrade Security that may be required if its Tender is successful.
5. ***Must Run/Dispatchable Capacity:*** The CFT issued 31 October 2003 contemplated that each tendered project must be designated either a Must-Run Capacity project or a Dispatchable Capacity project. Must-Run Capacity and Dispatchable Capacity are defined in Appendix 1 to the CFT. BC Hydro has determined that bidders may tender projects designated as both Must-Run Capacity and Dispatchable Capacity, provided that:

- The Tender must stipulate the months during which the project will constitute Must-Run Capacity, and the months during which the project will constitute Dispatchable Capacity.
- The designation will apply during each year of the Term and may not be changed without the prior written consent of BC Hydro.

The foregoing will be reflected in the quantitative evaluation methodology, including the Tender and portfolio spreadsheets, and in the revised Preliminary Form EPA.

6. **Unavailable Service-Providers:** The following are added to the list of unavailable service providers under section 18.21 of the CFT:

KPMG Corporate Finance Inc.  
R.W. Beck, Inc.

7. **Tender and Portfolio Spreadsheets:** Draft Tender and Portfolio Spreadsheets, together with a User's Manual will be sent to bidders on 22 December 2003. In accordance with Addendum No. 1, data assumptions, inputs and sources used in the spreadsheets may be revised by BC Hydro by Addendum, with revised spreadsheets, issued not later than 30 days before the Tender Closing Time. Other CFT amendments may be issued by Addendum, with revised spreadsheets, if applicable, not later than 7 days before the Tender Closing Time, as provided in the CFT. If revisions are made before pre-qualification, then all registered bidders will be notified. If revisions are made after pre-qualification, then pre-qualified bidders will be notified. The Tender and Portfolio Spreadsheets and the User's Manual are proprietary to BC Hydro. The transmittal of the spreadsheets and manual will include a form of license agreement. As will be noted on the transmittal, opening the electronic spreadsheets and/or manual by a bidder constitutes its acceptance of the terms and conditions of the license agreement.

8. **Bidders' Evaluation Workshop:** All bidders are invited to attend a Bidders' Evaluation Workshop to be convened as follows:

**Time:** 8:30 a.m. to 12:00 p.m. PPT

**Date:** As shown on the revised CFT Schedule

**Place:** Edmonds Auditorium  
6911 Southpoint Drive  
Burnaby, British Columbia

The purpose of the workshop is to provide bidders an opportunity to become more familiar with the selection and evaluation methodology in general, and the Tender and Portfolio Spreadsheets in particular, and to ask questions and seek clarification on related issues. Please refer to the e-mail information sent to registered bidders on December 12, 2003.

For planning purposes, bidders must register the number of their representatives who will attend the workshop by notifying BC Hydro at [vicft@bchydro.com](mailto:vicft@bchydro.com). BC Hydro reserves the right to limit the number of bidder representatives attending the workshop, based on space available. The Independent Reviewer will attend the workshop. A representative of the BCUC will be invited to attend the workshop.

9. **Extended Bidder Comment Process:** In order to afford bidders an extended opportunity to reply to BC Hydro's Response to Bidder Comments ("BC Hydro Response") which has been posted separately to <http://www.bchydro.com/vicft> and to submit further comments on the evaluation methodology to be

presented at the Bidders' Evaluation Workshop, bidders may submit replies to the BC Hydro Response and further comments on the evaluation methodology on or before **4:00 p.m. PPT on the date specified in the revised CFT Schedule**. Replies and comments submitted after this deadline will not be considered. This Addendum includes a Bidder Reply/Comment Form containing instructions, which is posted herewith in PDF and Word format. Bidders that wish to submit replies and/or comments must use the Bidder Reply/Comment Form and follow the instructions on the form.

The Bidder Reply/Comment Form consists of a Bidder Information Sheet and a Reply/Comment Sheet. It is designed so that the bidder replies/comments can be separated from the identity of the bidder, allowing bidder replies/comments to be considered without attribution to the bidder.

BC Hydro will post all Reply/Comment Sheets (without Bidder Information Sheets) to <http://www.bchydro.com/vicft>. BC Hydro will also file all Bidder Reply/Comment Forms (including both Bidder Information Sheets and Reply/Comment Sheets) with the BCUC, and request that the BCUC keep confidential the Bidder Information Sheets identifying bidders with particular replies.

Bidders who wish their replies/comments to be considered and published without attribution are responsible for framing their replies/comments on the Reply/Comment Sheet in such a way that the bidder cannot be identified. BC Hydro may not edit replies/comments or take other measures to protect the identity of the bidder, except (i) publishing only the Reply/Comment Sheet, and not the Bidder Information Sheet, and (ii) requesting the BCUC to protect the confidentiality of bidder identities.

10. **Revised Preliminary Form Agreements:** In order to permit BC Hydro to consider all Bidder Reply/Comment Forms submitted, and questions and comments that may be raised at the Bidders' Evaluation Workshop, the revised CFT and Preliminary Form Agreements will be issued to bidders on 13 January 2004, with copies being filed concurrently with the BCUC, as reflected in the revised CFT Schedule issued with this Addendum.

11. **Request for BCUC Approval:** In order to accommodate the extended bidder comment process, early release of the draft Tender and Portfolio Spreadsheets and User's Manual, the Bidders' Evaluation Workshop, and later issue of the revised CFT and Preliminary Form Agreements, BC Hydro will request the BCUC to approve the revised CFT by the date shown on the revised CFT Schedule issued with this Addendum.

12. **Revised CFT Schedule:** This Addendum includes the CFT Schedule, revised 15 December 2003, posted herewith.

## VANCOUVER ISLAND – CALL FOR TENDERS

### BIDDER REPLY/COMMENT FORM

#### General Instructions

1. *Words and phrases defined in the Call for Tenders for Capacity and Associated Energy on Vancouver Island, issued 31 October 2003 (as amended, the “CFT”) by BC Hydro and used herein have the meanings given in the CFT.*

2. *Any registered bidder intending to submit replies to the BC Hydro Response to Bidder Comments issued 15 December 2003 (“BC Hydro Response”) or submit further comments on the evaluation methodology presented at the Bidders’ Evaluation Workshop on 6 January 2004, must fully and properly complete and submit to BC Hydro a Bidder Information Sheet and Reply/Comment Sheet using the forms issued with these instructions.*

3. *The Bidder Reply/Comment Form may be downloaded in word format from <http://www.bchydro.com/vicft>. Use the TAB key to select and complete fields appearing on the form. If additional space is required for replies or comments, add rows to the Reply/Comment Sheet.*

4. *The bidder must:*

- *Fill out each section of the Bidder Information Sheet,*
- *Present specific replies to the BC Hydro Response separately as indicated on the Reply/Comment Sheet,*
- *Correlate its specific replies to the corresponding Comment ID# in the BC Hydro Response,*
- *Number sequentially each comment on the evaluation methodology,*
- *Have the Bidder Information Sheet dated and signed by a duly authorized signatory of the bidder, and*
- *Deliver 7 copies of the Bidder Reply/Comment Form to the address specified in Section 15.1 of the CFT by not later than 4:00 p.m. PPT on the date specified in the revised CFT Schedule.*

5. *BC Hydro reserves the right to reject any late, incomplete or improperly completed Bidder Reply/Comment Forms.*

**VANCOUVER ISLAND CALL FOR TENDERS**

**BIDDER REPLY/COMMENT FORM**

**BIDDER INFORMATION SHEET**

Project Name(s):

Contact Name for this Form:

Contact's Company Name:

Phone:

Address:

Fax:

City:

E-mail:

Province/State:

Postal/Zip Code:

The undersigned bidder hereby submits the replies to the BC Hydro Response to Bidder Comments, issued 15 December 2003 and/or comments on the evaluation methodology presented in the Bidders' Evaluation Workshop, in the attached Reply/Comment Sheet.

**Bidder Authorized Signature**

Bidder Name:

Signature:

Authorized Signatory Name and Position:

Date:

**VANCOUVER ISLAND CALL FOR TENDERS  
 BIDDER REPLY/COMMENT FORM**

**REPLY/COMMENT SHEET**

**CFT REPLIES:**

<b>Comment ID# :</b>	<b>Reply:</b>

**EPA REPLIES:**

<b>Comment ID#:</b>	<b>Reply:</b>

**VIGP TRANSFER AGREEMENT REPLIES:**

<b>Comment ID#:</b>	<b>Reply:</b>

**EVALUATION METHODOLOGY COMMENTS:**

<b>Comment #</b>	

**APPENDIX 2**  
**VANCOUVER ISLAND - CALL FOR TENDERS**  
**CFT SCHEDULE**

***Revised 15 December 2003***

***(revisions are in italics)***

<b>Phase 1 – Pre-Qualification</b>	<b>Date</b>
Issue of CFT, including Preliminary Form Agreements	31 October 2003
Registration deadline for bidders and Pre-Qualification Workshop	14 November 2003
Access to VIGP data	14 November 2003
Issue of Pre-Qualification Forms, Document Comment Form and information re: Mandatory Criteria, development risk assessment and evaluation methodology	14 November 2003
VIGP Election site visit	17–20 November 2003
Bidders' Pre-Qualification Workshop	21 November 2003
Deadline for Bidder comments on CFT, including Preliminary Form Agreements	1 December 2003
<i>Issue of BC Hydro Response to Bidder Comment Sheets with copy filed with BCUC</i>	15 December 2003
<i>Issue to bidders of draft Tender and Portfolio Spreadsheets and User's Manual, with copy filed with BCUC</i>	22 December 2003
<i>Bidders' Evaluation Workshop</i>	6 January 2004
<i>Deadline for submission of Bidder Reply/Comment Forms</i>	9 January 2004
<i>Issue of revised CFT, Preliminary Form EPA and Preliminary Form VIGP Transfer Agreement, and copies, together with Bidder Reply/Comment Forms, filed with BCUC</i>	13 January 2004
Deadline for BCUC approval of revised CFT, including amended Preliminary Form Agreements	23 January 2004
<b>Deadline for Submission of Pre-Qualification Form</b>	<b>18 February 2004</b>
Filing of Independent Reviewer's Pre-Qualification Report Announcement of Pre-Qualified Bidders	25 March 2004
<b>Phase 2 – Tender</b>	<b>Date</b>
Date for filing Interconnection Study application	1 April 2004
Deadline for final comments on Preliminary Form Agreements	9 April 2004
Issue Final Form Agreements	7 May 2004
Deadline for project-specific comments on Final Form Agreements Estimates of Interconnection Costs and Network Upgrade Costs provided to bidders	21 May 2004

Bidders' Tender Workshop	2 June 2004
BC Hydro Response to project-specific comments on Final Form Agreements	11 June 2004
<b>Deadline for submission of Tenders and Tender Security (Tender Closing Time)</b>	<b>9 July 2004</b>
Filing of Independent Reviewer's Final Report Announcement of Preferred Option/Award of EPA(s)	31 August 2004
Execution of Final Form Agreements and delivery of Development Security	30 September 2004