

## SCHEDULE 6

### DRAFT PROPOSAL GUIDE

#### PURPOSE

This document is a guide to the information that each Respondent should submit as part of its Proposal. The Proposal should contain information concerning the Respondent and the Project that will allow BC Hydro to determine whether the Project meets the eligibility requirements of the RFQ and to complete the evaluation of the Project.

Words and phrases used in this document and defined in the RFQ have the meanings given in the RFQ.

#### GENERAL INSTRUCTIONS

1. The Proposal should not contain general corporate brochures or other promotional material of a general nature.
2. The Proposal should be organized to follow the numbering system and the headings set out in these instructions. If a particular heading is inapplicable, retain the number and heading and insert “Not applicable”.
3. If an instruction calls for the submission of applications, reports, agreements, plans, schedules, resumes, studies or other documents, those documents should be referenced in the text as an Exhibit. Exhibits should be numbered sequentially and tabbed at the end of the Proposal.
4. The Proposal should include a Table of Contents with page numbering references, following the numbering system and headings in these instructions, and include a listing of Exhibits.
5. A Respondent should be fully responsive to each instruction, as applicable to the Respondent and its Project. If a Respondent is in any doubt as to the requirements contained in these instructions, it should seek clarification using the Q&A process.
6. Proposals should include:
  - A completed Proposal in the form of this Schedule 6, in **one soft copy (on a CD-ROM)** and sealed in a separate envelope;
  - An updated Disclosure Statement in the form of Schedule 4, signed by an authorized signatory of the Respondent; and *[Note: This item may be omitted if no changes to the Disclosure Statement have occurred]*
  - A non-refundable Proposal fee equal to \$5,000, payable as a cheque or bank draft to British Columbia Hydro and Power Authority or BC Hydro.

Proposal security (i.e. bond or letter of credit) is **not** required.

## **PROPOSAL GUIDE**

### **1. COMMERCIAL AND QUANTITATIVE EVALUATION DATA**

*Each Respondent must submit a completed Attachment 1 - Commercial and Quantitative Evaluation Data as Section 1 of its Proposal. Respondents should provide BC Hydro with the required data to be used for a quantitative evaluation in order to determine the economic viability of the Proposal.*

Download Attachment 1 from the RFQ Website and complete and submit as Section 1 of the Proposal. **[Note: Attachment 1 is currently located at the end of this draft Proposal Guide.]**

### **2. THE RESPONDENT**

*If the Respondent is a public company (i.e. its shares or other securities are listed on a recognized stock exchange), the Respondent may choose to include a copy of its latest Annual Report as an Exhibit.*

#### **2.1 Respondent Identity:**

- (a) State the Respondent's full legal name, form of organization (e.g. corporation, general partnership, limited partnership, local government, public institution, joint venture), jurisdiction in which the Respondent is incorporated or formed, the date on which it was incorporated or formed and any incorporation or similar identifying number, the date and number of registration in British Columbia, if applicable, the street and mailing address(es) of the Respondent's principal place of business, its general telephone and fax number and its website address, if any.
- (b) Except in the case of a limited partnership, if the Respondent is a general partnership, joint venture or otherwise consists of two or more legal entities, provide the information described in (a) for each such entity.
- (c) If the Respondent is a limited partnership, provide the information described in (a) for the partnership and the general partner only.

#### **2.2 Ownership:**

- (a) If the common shares or similar ownership interests of the Respondent are listed on a stock exchange, state the name of the exchange and applicable trading symbol.
- (b) If the common shares or similar ownership interests of the Respondent are not listed on a stock exchange, state the full name and principal business or resident address of each public company or other person who holds, directly or indirectly, an equity ownership interest in the Respondent equal to or greater than 10%. Include an ownership chart where such a chart can best describe the Respondent's ownership structure.
- (c) If the Respondent is an Affiliate of a registered Respondent, provide evidence sufficient to establish the Affiliate relationship.

#### **2.3 Bankers, Auditors and Advisors:**

- (a) State the name and address of the Respondent's principal financial institution(s).
- (b) State the name of the Respondent's auditors, or if financial statements are not subject to audit, state the name of the Respondent's principal external accountant, if any.

- (c) State the name and address of the Respondent's principal legal advisor relative to the Proposal. Include the name and location of the firm and/or in-house legal department and the lawyer primarily responsible for advising the Respondent on the Project.

**2.4 Development and Operating Methodology and Experience:**

- (a) Describe the contracting method that the Respondent intends to utilize for the development of the Project (e.g. turnkey, EPC (engineer, procure and construct), design-build contract, retaining consultants and a general contractor, construction management).
- (b) Provide a list of all members of the Respondent's existing Project development team (e.g. individuals currently employed or contracted by the Respondent, consultants and advisors) together with a description of the experience of each development team member (including with respect to a project comparable to the Project). Provide resumes for key team members as an Exhibit.
- (c) Describe the Respondent's plan and schedule for selection of any further engineering and technical consultants, equipment suppliers and contractors required for the design, procurement and construction of the Project.
- (d) Describe the Respondent's plan for securing performance by its consultants, suppliers and contractors, whether involving performance and payment bonds, letters of credit, corporate guarantees or other security measures.
- (e) Provide a chart showing the currently planned Project development organization, including Project team members, principal functions and reporting relationships.
- (f) Describe the Respondent's plan to provide a qualified and experienced Project operations and maintenance team, whether by contracting for operating and/or maintenance services, direct hire or otherwise, including the schedule and method for assembling the team.
- (g) If and to the extent that the Respondent has commitments in place for all or part of its operating and maintenance team, describe the experience of committed team members in the operation and maintenance of other projects similar to the Project. Provide resumes of any committed team members as an Exhibit.
- (h) Provide a table showing all **existing** electricity purchase contracts between the Respondent and/or any Affiliate and any third party (including BC Hydro). For each contract, the table should identify the related project's name and location, the generation source (e.g. hydro, wind, solar, biomass), the annual energy contracted (GWh/year), the effective date of the contract, the contract term (years), the actual or expected commercial operation date, and the third party purchasing the electricity.
- (i) Provide a table showing all electricity purchase contracts between the Respondent and/or any Affiliate and any third party (including BC Hydro) that have **terminated or expired** in the past five years. For each contract, the table should identify the related project name, the project location, the annual energy contracted (GWh/year), the effective date, the original contract term (years), actual or expected commercial operation date, and the third party purchasing the electricity, the termination date, and the reason for termination.

### **3. THE PROJECT**

#### **3.1 Project Description:**

Provide a technical description of the Project, including:

- (a) site layout, showing the location and orientation on the site of significant access roads, structures, equipment and other facilities;
- (b) an outline technical description of the plant, including all systems, one line electrical diagrams, etc.;
- (c) drawing showing distribution/transmission lines (indicating capacities) on the Respondent's side of the POI, and the interconnection point(s) with the Distribution System or Transmission System (together, the "System");
- (d) a list and outline of specifications of major equipment, including as applicable all generators, turbines and other major equipment, including key specifications (e.g. nameplate capacity of generators), make and model, and whether equipment is new or used;
- (e) an outline specification of all significant structures (e.g. buildings), including approximate dimensions;
- (f) such other technical description and data as the Respondent believes will give BC Hydro a clear understanding of the plant specifications and technical configuration; and
- (g) such other System integration information as the Respondent believes will give BC Hydro a clear understanding of the innovative plant design to mitigate technical, financial or fuel risk, increase System efficiency, and/or take advantage of local resources and infrastructure.

#### **3.2 New or Existing Generation:**

State whether the Project consists of (i) new generation (including new, used or refurbished equipment), or (ii) existing generation.

#### **3.3 Generation Technology:**

*In BC Hydro's recent call processes, the use of proven generation technologies has been one of the eligibility requirements. This criterion has not been required in this RFQ in an effort to expand the types of projects that can participate. BC Hydro would like to provide an opportunity for unproven or near-commercial technologies to participate if a Project can provide a benefit by having an innovative technology, design, or business model that can productively inform and/or influence the near-term B.C. marketplace for bioenergy. If the Project also has additional attributes which contribute to the other RFQ objectives, the ability to endorse an unproven technology increases. BC Hydro will perform a risk assessment to gain an understanding of an unproven technology and the development risk associated with a Project reaching commercial operation.*

- (a) Provide a brief description of the Project's generation technology. Confirm whether this technology is readily available, in commercial markets and/or in commercial use. Identify the principal manufacturers or suppliers of this technology.
- (b) If the Project's generation technology is in commercial use, identify at least three other existing generation plants (which need not be owned or operated by the Respondent)

generating electrical energy using the same generation technology. For each existing generation plant, include, at a minimum, the name and location of the plant, the name of the plant owner, the date when the generation technology was installed, and the plant capacity.

- (c) If the Project’s generation technology is unproven, provide a detailed description of the core technology being proposed and what is required for the technology to advance to a commercial stage.
- (d) For unproven technology, describe:
  - (i) the approximate market potential in MW installed and GWh/year in B.C. for the proposed technology;
  - (ii) the barriers (market, technical or financial) that block the development of this technology to its market potential;
  - (iii) how the Project addresses those barriers and accelerates the deployment of the technology in B.C.; and
  - (iv) the nature of any ownership/equity stake in the Project by a proposed technology equipment supplier.

### 3.4 **Biomass Fuel Plan:**

*The fuel plan should demonstrate that the Respondent has a plan to contract for, and has reasonable assurance of, the supply or availability, and if applicable the transport and storage, of biomass required for the operation of its Project in accordance with the terms of its Proposal. The fuel plan should address fuel availability and the potential impact on other users, with a desirability of minimizing adverse impacts on existing productive uses of biomass.*

- (a) Describe the fuel and its source(s).
- (b) Describe the Respondent’s plan to procure and transport the fuel, as applicable, in sufficient quantities to operate the Project in accordance with the terms of the Proposal.
- (c) Provide as an Exhibit a table identifying the approximate volume (in tonnes) of biomass that is expected to be consumed in energy (steam/electricity) generation at the facility. The fuel plan should be split up identifying the volumes for each of the following categories:

	<b>Description</b>	<b>Fuel Examples</b>
Category A	Pulp Residuals	Black Liquor
Category B	Sawmill & Manufacturing Residuals	Hog Fuel, Sawdust, Chipping operation residues
Category C	Forest Sourced Fuel	Roadside Debris, Logging Slash, Sort Yard Debris, Standing timber
Category D	Sorted Municipal Solid Waste (MSW)	Clean organic material sorted from MSW
Category E	All other Clean Biomass	Agricultural residues, energy crops

- (d) Provide as an Exhibit copies of any preliminary or final agreements or commitments in implementation of the Respondent’s fuel plan.

- (e) Describe any infrastructure necessary to procure, process, transport, receive, store and handle any fuel required for the Project, including the development status of such improvements, identification of any permits or approvals required for such improvements, the schedule for completion of such improvements, and any known or expected obstacles for the development and construction of such improvements.
- (f) Describe viable alternate fuel supplies that the Respondent intends to access should the Respondent's contracted fuel suppliers fail to perform during the term of an awarded contract.
- (g) Describe the volume of on-site, or local, storage for fuel that is included in the Project design.
- (h) Provide the number, type and characteristics of proposed or existing turbines including fuel-to-energy conversion factors (e.g. design heat rate curve(s)).
- (i) If Category C fuel is required in support of the Proposal, describe how the Respondent's acquisition of such forest-based biomass will be integrated with the operational plans of other forest tenure holders.
- (j) If Category C fuel is required in support of the Proposal, describe how, in relation to the accumulation and utilization of such forest-based biomass, the Respondent will operate under the existing regulatory frameworks established by the Ministries of Environment, and Forests and Range, and within the communities in which the Respondent operates.

### **3.5 Clean Electricity:**

For Project eligibility, the Respondent should demonstrate the Project's eligibility as Clean Energy in accordance with the Clean or Renewable Electricity Definitions.

### **3.6 Interconnection:**

*Responses to this instruction should be consistent with the Respondent's selection in Section 1 of its Proposal indicating whether the Project will be interconnected to the Transmission System or to the Distribution System.*

- (a) Provide as an Exhibit a copy of the Interconnection Application submitted to BC Hydro.
- (b) State whether the Project is located in that part of British Columbia within which Projects may be interconnected directly to the System as determined by BC Hydro and BCTC and identify the nearest substation.
- (c) Describe how the Project will be metered and, if known, provide the expected physical location of the meter(s). The meter configuration must be such that the energy to be delivered under a contract can be accurately measured for billing and other contractual purposes.
- (d) State whether the Project will have:
  - (i) a direct interconnection to the System; or
  - (ii) an indirect interconnection.
- (e) If 3.6(d)(ii) applies, provide details of the proposed interconnection, including the identity, ownership and location of the host facility or private transmission or distribution line and confirmation that the interconnection configuration will permit electrical energy generated by the Project to be injected to the System when a host facility, if any, is not operating, and evidence of supporting third party interconnection agreements and

transmission agreements in respect of the projected output to the POI. Include plans or other drawings where necessary to describe any proposed indirect interconnection.

- (f) Provide as an Exhibit detailed plans identifying the latitude/longitude of the POI and the proposed interconnection right-of-way.

### **3.7 Current Contracts:**

Specify whether the Respondent has an existing electricity purchase contract at the same Project generation site with BC Hydro for the delivery of electricity to the System.

### **3.8 Project Development Schedule:**

*This section of the Proposal should establish that the Respondent has a Project development schedule that (i) identifies key Project development milestones and the critical path, (ii) is consistent with the proposed commercial operation date and includes an adequate pre-commercial operation date period for commissioning and testing, and (iii) is realistic and achievable.*

- (a) Provide as an Exhibit a Project schedule, identifying the critical path and showing particularly all key dates associated with permitting, design, engineering, procurement, construction and commissioning activities, including all key Project development milestones and a commercial operation date. The Project schedule should be provided in Gantt chart form.
- (b) Describe how the duration of activities on the critical path was derived.
- (c) Describe typical contingency measures available to recover lost time due to delays, including those effectively employed by the Respondent on other comparable projects, if any.
- (d) Describe the status of Project preliminary and detailed engineering, including percentage complete, and a description of the status of Project construction and equipment procurement, including a description of any commitments (conditional or otherwise) made with contractors and/or suppliers.
- (e) Describe any known pending or threatened legal actions, suits or proceedings, or other events or circumstances, which could reasonably be expected to adversely impact efforts to meet the Project schedule, including any measures taken or planned by the Respondent to avoid or mitigate such impacts.

### **3.9 Site Acquisition/Control:**

*This section of the Proposal should establish that (i) the Respondent has either acquired, has the right to acquire, or in the case of Crown lands can reasonably be expected to acquire, title or another form of tenure of a Project site suitable for the development and operation of the Project, and (ii) the site is not subject to any charges or adverse claims, which could reasonably be expected to prevent or delay the development of the Project, or its operation.*

#### **(a) Site Description:**

- (i) Provide as an Exhibit a 1:50,000 scale map showing the location of the site, and identify any municipal, regional, or other local government area in which the site is located, and the nearest city or town and proximity thereto. Provide the site legal description, if any.

- (ii) State the current zoning, if any, of the site.
- (b) **Titled Land:**
  - (i) Provide as an Exhibit a copy of the Certificate of Title, and of each lien, charge and encumbrance (“**charges**”) registered on title, and confirmation that such charges will not prevent or delay construction and operation of the Project, or alternatively the Respondent’s plan and schedule for the discharge or amendment of such charges to avoid any such prevention or delay. Provide a copy of the survey plan as an Exhibit.
  - (ii) State whether the site is or will be owned, leased or held under another form of tenure, which other form should be specified.
  - (iii) State whether the site is currently owned or otherwise held by the Respondent, and if not owned, provide as an Exhibit a copy of the lease or other instrument under which the Respondent holds the site or an interest therein. If not currently owned or held by the Respondent, provide as an Exhibit a copy of any option or other agreement under which the Respondent has the right to acquire ownership or another appropriate interest in the site.
  - (iv) If the site on which the Project will be located is part of a larger parcel, which has not been subdivided, provide details of any planned subdivision, including (A) the subdivision plan, (B) the status, and schedule for completion, of the subdivision, and (C) a list, and the status and schedule for, all approvals required to complete the subdivision.
- (c) **Untitled Land:** If the site is currently untitled (e.g. untitled Crown land), describe the status of the Respondent’s efforts to acquire an appropriate right of occupancy and use. Provide as an Exhibit copies of any filed applications, licenses and/or leases.

### **3.10 Permits and Land Use Plans:**

*This section of the Proposal should establish that the Respondent has (i) identified all material permits, certificates and approvals, including an environmental assessment certificate, water license, and emissions permits, as applicable, for the development and operation of the Project, (ii) made application for such permits, (iii) prosecuted such applications to a stage that is consistent with the Respondent’s Project development schedule and where it may reasonably be expected that any currently unissued permits are likely to be issued as contemplated by that schedule and on conditions that would permit the Project to be developed and operated in accordance with an awarded EPA and/or other agreement entered into pursuant to the RFQ, and (iv) identified all relevant land use plans and confirmed that the Project is consistent with them. Where a Project requires rezoning, the Proposal should establish that a rezoning by-law has received at least first reading by the relevant local government.*

- (a) **List of Required Permits:** Provide as an Exhibit a complete list of all permits required for construction and initial operation of the Project. For the purpose of this instruction, “**permit**” means permits, licenses, rezoning or zoning variances, and all other approvals required of any federal, provincial or local government or governmental agency or authority required for the development and operation of the Project, including without limitation any environmental assessment certificate required under federal or provincial legislation.
- (b) **Issued Permits:**
  - (i) Provide as an Exhibit a copy of each issued permit.

- (ii) Disclose the existence, status and the Respondent’s assessment of any pending or threatened legal action, suit or proceeding and any appeal in respect of any issued permit.
- (c) **Pending Permits:**
  - (i) For each required permit not yet received, provide:
    - (A) a permitting schedule showing, for each unissued permit, the planned application, sequencing and issue date for each permit, which is consistent with the Respondent’s Project development schedule; and
    - (B) as an Exhibit a copy of any pending permit application with a copy of a letter of receipt or acknowledgement from the respective agency, a description of the status of the application, any known opposition or impediment to the issue of the permit and the expected impact thereof on the permitting schedule and any planned measures which the Respondent intends to implement to avoid or mitigate any anticipated delay in issue of the permit.
  - (ii) State whether any required permit has been refused and the reasons therefor, or whether the issue of any permit is subject to conditions which would materially and adversely affect the ability of the Respondent to develop and/or operate the Project. Provide full particulars of any disclosure under this subsection.
- (d) **Land Use Plans:**
  - (i) List all provincial, municipal or other land use plans and/or planning processes that are applicable to the area in which the Project is located.
  - (ii) State whether or not the Project is consistent with the use and any other applicable conditions in the land use plans and/or planning processes listed above. If the Project is not consistent with such land use plans and/or planning processes, describe the rationale for concluding that permits, licenses and approvals will be available at times required to maintain the Project schedule.
  - (iii) List the ways in which the Project supports current land use plans or may support constructive changes to community land use plans in the future (i.e. does the Project support the creation of a “compact, complete community” thereby supporting ‘smart growth’ principles).

### **3.11 Community Engagement and Benefits:**

*This section of the Proposal should establish that, whether or not required under any law, permit, regulatory or government (including local government) process or any other approval process of any kind applicable to the Project, the Respondent has notified the public in the local community where the Project will be located of its intention to develop the Project and has a viable plan to provide adequate information on the Project to the public in that community, and a reasonable opportunity for members of the community to provide a response to that information.*

- (a) Identify the representative community groups that the Respondent believes should be consulted or engaged.
- (b) Describe the community consultation that has been completed to date and who has been consulted (e.g. non-governmental organizations, institutions, industry, commercial business, individuals resident groups, educational groups, environmental groups, community development groups).

- (c) Describe what the consultation has achieved to date and some of the issues that have been addressed.
- (d) Describe whether there has been any opposition to the Project, and if so, how this opposition has been overcome.
- (e) State whether or not there has been any demonstrated community support for the Project.
- (f) Describe the level of local government support or opposition for the Project, and provide as an Exhibit any documentation illustrating its support.
- (g) Provide as an Exhibit a copy of any public notification issued concerning the Project and a list of the media where it was published.
- (h) Provide a description and status report on all community consultations conducted and planned relative to the Project, including particulars of issues identified and whether and how each issue has been or will be addressed.
- (i) Where the Respondent has concluded that public notification and consultation is not required, provide supporting rationale for that conclusion.
- (j) Describe how the Project either supports or conflicts with any community energy planning that has been completed to date.
- (k) Describe any shared benefits between the Respondent and the community, and whether there are present or future opportunities for partnerships.

### **3.12 First Nations Consultation and Benefits:**

*This section of the Proposal should establish that the Respondent has determined whether there is a duty to consult First Nations. If it has been determined that there is a duty to consult, the Respondent should explain how it will undertake consultation. Submissions on the First Nations consultation plan and engagement strategy (as required by section 6 of the RFQ) should address subsections 3.12 (a) through (f) of this Proposal Guide.*

- (a) The Proposal should indicate if any consultation with First Nations will be carried out. Where a conclusion has been reached that consultation with First Nations is not required, provide supporting rationale for that conclusion. Details of any impact on First Nations from activities related to interconnections should be included.
- (b) Provide information on how the Respondent determined which First Nations to consult.
- (c) Provide as an Exhibit a copy or description of information provided to First Nations concerning the Project, indicating when that information was provided.
- (d) Provide a description, chronology, and status report on the consultations and engagement conducted with First Nations and planned relative to the Project, including particulars of issues identified by the First Nation(s) and how each issue has been or will be addressed. Provide as an Exhibit copies of all correspondence with the First Nation(s) and any other materials supporting consultation.
- (e) Describe which Crown permitting agencies have been involved in the response to subsections 3.12 (a) through (d).
- (f) Describe the material terms, or include as an Exhibit a copy of, any executed impact benefits agreement or similar letter of intent or agreement with the First Nation(s), or any offer that has been made in writing to the First Nation(s) or confirmation from the First Nation(s) of an agreement and its material terms.

- (g) List any First Nation's land use plan and/or planning processes that are applicable to the area in which the Project is located. State whether or not the Project is consistent with the use and any other applicable conditions in the land use plans and/or planning processes listed above. If the Project is not consistent with such land use plans and/or planning processes, describe the rationale for concluding that permits, licenses and approvals will be available at times required to maintain the Project schedule.
- (h) Describe any shared benefits between the Respondent and any First Nation, and whether there are present or future opportunities for partnerships.

### **3.13 Site Services:**

*This section of the Proposal should establish that the Respondent has (i) identified all site services required for the development and operation of the Project in accordance with the specifications of the Respondent's Proposal, and (ii) contracted or arranged, or has a viable plan for contracting and arranging, such services.*

- (a) **Site Services Required:** Describe all site utilities and services required to support construction and operation of the Project, and a description of the status and schedule for securing each utility or service.
- (b) **Site Service Agreements:** Provide as an Exhibit a copy of any executed letter of intent or similar preliminary commitment and any executed final agreement for provision of any required utility or service.

### **3.14 Environmental Impact:**

*This section of the Proposal should establish that the Respondent has demonstrated an awareness of the environmental impact of the Project.*

- (a) **Greenhouse Gas Emissions:** Provide calculations, using emission factors and methodologies accepted by Environment Canada, of annual Project emissions of greenhouse gases (expressed as tonnes per year of equivalent CO<sub>2</sub>e). The annual Project emissions should include direct emissions from the Project during operations, plus any indirect emissions from the incremental harvesting or transportation of fuel. As biomass is considered CO<sub>2</sub> neutral, but not CH<sub>4</sub> or N<sub>2</sub>O neutral, calculations should be based only on emissions of CH<sub>4</sub> and N<sub>2</sub>O. Distinguish between emissions related to biomass and emissions related to auxiliary fuels used at the Project. Indicate whether fuel to be used in the Project is currently burned (e.g. industrial burner) or allowed to decompose naturally.
- (b) **Local Air Emissions:** Provide calculations of PM<sub>10</sub> emitted (expressed as tonnes PM<sub>10</sub> per year for combustion generation technologies such as diesel and biomass). Calculations should indicate the type and quantity of fuels and appropriate emission factors for the quality of fuel to be used. Exclude emissions from Project-related transportation. Indicate reference source for the emission factors.
- (c) **Land Area Affected:** Describe the land area (in hectares) directly occupied or altered by the Project (including rights-of-way to the POI). Identify areas and species of high importance or sensitivity that may be affected. Include existing land areas physically or legally occupied or altered by Project facilities, such as towers and foundations, power cables, and rights-of-way. For existing Projects, include only incremental lands.
- (d) **Visual Impacts:** Describe the visibility of the Project and/or new rights-of-way to the general public established as a result of the Project. For example, indicate whether the

Project is near communities, scenic viewpoints, or along travelled land and marine transportation routes. Indicate the distance of the Project from the closest observation point and the potential number of viewers from such point or otherwise. Also, indicate whether there is any flexibility at the Project site to screen views of the Project.

- (e) **Noise Impacts:** To the extent possible, provide a sense of the audible noise that will be created by the Project (including generating units and switchyard electrical equipment), as compared to existing noise levels on the site. Specify the distance of the Project from the nearest observers in communities or along traveled corridors.
- (f) **Other Environmental Impacts and Benefits:**
  - (i) To the extent not otherwise disclosed above, describe any other environmental impacts or benefits that are applicable to the Project.
  - (ii) To the extent not otherwise disclosed above, describe the Project's environmental mitigation or compensation plan, including a detailed description of emission control technologies (if applicable), and the ability (or actual plans) to avoid impacts or enhance productivity by means of Project design and location.

### **3.15 Social Impact:**

*This section of the Proposal should establish that the Respondent has demonstrated an awareness of the social impact of the Project.*

- (a) **Job Creation During Construction and Operation:**
  - (i) Provide the expected total direct Project employment, and employment of local residents, from the time of Project approval to the commencement of commercial operation, expressed as equivalent person-years.
  - (ii) Provide the expected total of direct Project employment, and employment of local residents, during Project operations (after the commercial operation date), expressed as full-time equivalent jobs.
- (b) **Other Social Impacts:**
  - (i) If available, and to the extent it is not otherwise disclosed above, describe any other expected social or cultural benefits or effects of the Project during construction and operation, including any additional local skill or capacity development, contracting of services or procurement of goods, and all associated local employment during construction or operation of the Project.
  - (ii) If applicable, describe the relationship between two or more of the Respondent's Proposals.

### **3.16 Financial Information:**

*This section of the Proposal should establish that the Respondent has sufficient financial resources, or has a viable plan to secure access to such resources, to enable it to successfully develop and operate the Project.*

- (a) **Project Financing Experience:** Provide an overview of projects similar to the Project in size and scope in which the Respondent and/or its Affiliate has secured project financing. The overview should include a table that includes the following information:

- (i) name, location and type of project;
  - (ii) actual or expected commercial operation date;
  - (iii) nameplate size of the project (MW);
  - (iv) total project cost to be financed with equity and with debt;
  - (v) sources of financing (equity and debt); and
  - (vi) lead arranger(s) or underwriter(s) for the required debt and equity, if applicable.
- (b) ***Financing Plan:***
- (i) Specify the expected total all-in “Project cost” incurred prior to commercial operation date, inclusive of allowances for all hard and soft capital costs, interest during construction, owner contingencies and working capital requirements, indicating each of interest during construction and owner contingencies as separate line items and should correspond to the responses in Section 1.
  - (ii) If the Project contains elements beyond electricity sale for which there are associated costs and income streams, describe the risks/benefits and liabilities shared between the partners.
  - (iii) Describe the proposed method of financing the Project during each of the development, construction, and operating phases, including a description of:
    - (A) capital structure, including the percentage of total Project cost to be financed with equity and with debt;
    - (B) sources of financing (equity and debt), including any guarantor support;
    - (C) form of equity financing (e.g. cash injection, contributions in kind, government grants, share issuance, subordinated debt);
    - (D) form of debt financing (e.g. on-balance sheet, bank financing, bond issuance); and
    - (E) the lead arranger(s) or underwriter(s) for the required debt and equity, if applicable.
  - (iv) Provide a forecast of spending by year prior to commercial operation.
  - (v) Provide a description of tax assumptions (including applicable CCA classes and the corresponding % of capital cost).
  - (vi) Provide a list and description of grants or subsidies available and their amounts (in \$ millions).
  - (vii) Provide a detailed summary of financing assumptions (e.g. fees, reserves, debt coverage ratios).
  - (viii) Provide as an Exhibit copies of financial commitments (e.g. commitment letters, term sheets, letters of offer or executed financing documents) and/or internal funding authorizations, if any.
- (c) ***Financial Capability and Creditworthiness:***
- (i) *For rated Projects, Respondents, equity providers and/or guarantors* – For any or all (i) Projects, (ii) Respondents, and (iii) persons committing significant equity or debt funding (i.e. 10% or more of financing for the Project), each of which have an established credit rating, specify the rating agency and rating.

- (ii) *For rated and un-rated Projects, Respondents, equity providers and/or guarantors* – For any or all (i) Respondents, and (ii) persons committing significant equity or debt funding (i.e. 10% or more of financing for the Project), provide sufficient evidence from each of them to show that the Respondent has access to sufficient financial capability and creditworthiness to develop and operate the Project. Such evidence should include (as an Exhibit):
- (A) audited statements for the last two (2) completed fiscal years and the most recent unaudited quarterly or semi-annual financial statement; or
  - (B) if statements are not subject to audit, unaudited financial statements for the last two (2) completed fiscal years, the most recent quarterly or semi-annual financial statement, and a statutory declaration of an officer of the Respondent, equity provider or guarantor (or the Respondent, equity provider or guarantor if it is an individual) stating that such financial statements present fairly, in all material respects, the financial position of the entity, in conformity with Generally Accepted Accounting Principles (GAAP).

If the Respondent's financial information is consolidated with other entities, it is the Respondent's responsibility to extract and submit as separate documents all data and information solely related to the Respondent, including financial information, associated notes and all other information that would comprise a full financial report conforming to GAAP.

- (iii) *Other Projects* – Briefly describe significant capital projects (other than the Project) currently planned or in development by the Respondent and/or its Affiliates, including the nature, location, order of magnitude of the capital cost and financing arrangements of the project. Include sufficient information to indicate the extent of funding for which the Respondent and/or its Affiliates are responsible. For this purpose, a “significant capital project” is any project having an order of magnitude capital cost equal to or greater than 50% of the estimated capital cost of the Project.

#### **4. SUPPLEMENTARY INFORMATION**

##### **4.1 Other Matters Affecting Respondent, Project Development or Performance:**

- (a) ***Pending Litigation:*** To the extent not otherwise disclosed in the Proposal, describe any pending or threatened claims or legal actions, suits or proceedings before any arbitrator, court or regulatory body affecting the Respondent, the Project, or any consultant, supplier, manufacturer or contractor engaged, or to be engaged, for the Project that could reasonably be expected to have a material and adverse effect on the ability of the Respondent to develop and operate the Project as described in the Proposal.
- (b) ***Labour Disputes:*** To the extent not otherwise disclosed in the Proposal, describe any pending or threatened strikes, lockouts or labour disturbances affecting the Respondent, the Project or any consultant, supplier, manufacturer or contractor engaged, or to be engaged, for the Project that could reasonably be expected to have a material and adverse effect on the ability of the Respondent to develop and operate the Project as described in the Proposal.
- (c) ***Other Matters:*** To the extent not otherwise disclosed in the Proposal, describe all other known facts or circumstances that could reasonably be expected to have a material and

adverse effect on the ability of the Respondent to develop and operate the Project as described in the Proposal.

**4.2 Other Data:**

Respondents are invited to provide any other information concerning the Respondent and/or the Project, (i) which is not addressed above, and (ii) which the Respondent believes is relevant and may impact the overall Proposal eligibility and evaluation.

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**ATTACHMENT 1**  
**COMMERCIAL AND QUANTITATIVE EVALUATION DATA**

***[Note: The Respondent shall submit the completed document as Section 1 of its Proposal.]***

*The Respondent should provide BC Hydro with the following required data to be used for a quantitative evaluation in order to determine the economic viability of the Proposal. BC Hydro will perform a quantitative evaluation of the Project's economic viability based on the submitted information in the Proposal. BC Hydro will also assess the received data and may discuss the validity of this data with the Respondent. The quantitative assessment may also involve estimating an adjusted levelized price over the potential contract term, with consideration of interconnection costs using high level estimates of network upgrades, losses, and impacts on the System.*

**Commercial Data:**

- (a) Project name
- (b) Project location (latitude and longitude)
- (c) Project location (nearest city or town)
- (d) Technology type
- (e) Cogeneration or non-cogeneration
- (f) Commercial Operation Date (month/year)
- (g) Interconnection System
- (h) Years to build
- (i) Asset life (years)
- (j) Type of contract contemplated (firm energy/non-firm energy/fixed payments/other)
- (k) Indicative electricity price needed from BC Hydro based on (j) (\$/MWh or other)

**Technical Data:**

- (l) Project capacity (MW)
- (m) Total yearly energy (GWh per year)
- (n) Average capacity factor (%)
- (o) Heat rate (GJ/GWh)
- (p) Thermal output (if cogeneration) (GJ/day)
- (q) Overall efficiency (if cogeneration) (%)
- (r) Expected yearly or monthly energy profile (GWh/year or GWh/month)
- (s) Emission factor (tonnes of equivalent CO<sub>2</sub>/GWh)

**Cost and Financing Information:**

- (t) Capital costs (installation, labour, development, contingency) (\$ millions)

- (u) Fixed operations and maintenance (O&M) costs (\$ millions per year)
- (v) Variable O&M costs (\$/MWh)
- (w) Average fuel costs (\$/ODT (oven-dried tonnes))
- (x) Estimated required escalation for the above costs (pre- and post-Commercial Operation Date)
- (y) Revenue expectation from other users for steam (\$/GJ)
- (z) Debt/equity ratio (%)
- (aa) Loan term (years)
- (bb) Financial targets (payback years or internal rate of return (IRR))
- (cc) Long term debt interest rate (%)
- (dd) Interest rate during construction (%)

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