

2002/03 GREEN POWER GENERATION CALL FOR TENDERS

ADDENDA

27 May, 2003

Amended Schedule

In order to accommodate the process for reviewing Project Changes described below, the schedule for the 2002/03 Green Power Generation Call for Tenders (“2002/03 GPG CFT”) is replaced with the schedule attached. **The date for filing proposed revisions to the 2002/03 GPG Standard EPA and the “Seller’s Plant”, “Project” and “Facility” definitions has been advanced to 11 June, 2003.** Please review the revised schedule carefully.

According to the revised schedule attached, the following information must be filed in the manner indicated in the 2002/03 GPG CFT, as amended by this Addenda, **by not later than 4:00 p.m. (Pacific Time) 11 June, 2003:**

- Contracted Capacity Profile (Attachment C to the Tender Forms) – All bidders;
- 2002/03 GPG Greenhouse Gas Intensity Adjustment Form and related project data – All bidders with biomass and biogas projects;
- GPG Standard EPA – Proposed Revisions Form (including proposed revisions to “Seller’s Plant”, “Project”, and “Facility” definitions) – All bidders with proposed EPA revisions; and
- Attachment A to the Tender Forms and related project data – All bidders with projects subject to Project Changes.

The information listed above should be enclosed in a single envelope which clearly bears the name and address of the bidder, the project name and the name of each of the enclosed forms. That envelope should be delivered to the BC Hydro-Purchasing Department at the address set out in the 2002/03 GPG CFT by the deadline stated above.

Project Changes

BC Hydro has pre-qualified projects to participate in the 2002/03 Green Power Generation Call for Tenders (“2002/03 GPG CFT”) process based on the information contained in the GPG RFQ Qualification Statements submitted to BC Hydro in December 2002. If there has been a change to a project (including, without limitation, the equipment, design, layout, owner, operator, bidder or method of financing) by comparison to the project as described in the GPG RFQ Qualification Statement or if there is any information or circumstance with respect to a project that was not disclosed in the GPG RFQ Qualification Statement for the project (which in either case is referred to in this Addenda as a “Project Change”):

- (i) the Tender for that project will be subject to further evaluation against the Mandatory Requirements; and
- (ii) BC Hydro will determine, in its sole and unfettered discretion, whether it will (A) re-evaluate the project with respect to the Project Criteria in light of the Project Change (which may result in the Tender being disqualified) or (B) disqualify the Tender.

The detailed rules with respect to Project Changes are set out in the 2002/03 GPG CFT.

The rules with respect to Project Changes apply to all projects including those projects for which the Office of Generator Interconnections (“OGI”) has accepted a Generator Interconnection Preliminary Study Application that is based on a Project Change and those projects for which OGI has requested a Project Change. Project Changes related to interconnection issues can impact on other Mandatory Requirements and/or Project Criteria including compliance with the 2002/03 GPG Green Criteria. Those issues will be reviewed separately from the requirements of OGI.

BC Hydro recognizes that the rules with respect to Project Changes create uncertainty for bidders particularly in light of the amount of time between the filing of the GPG RFQ Qualification Statements and the Tender Closing Time. BC Hydro has received requests from a number of bidders to provide “advance rulings” on the potential effect of Project Changes on the bidder’s Tender. Therefore, BC Hydro has decided to provide all bidders with a “one time only” opportunity to submit Project Changes to BC Hydro for review in advance of the Tender Closing Time in accordance with the process described below. The process described below is the only process for reviewing Project Changes in advance of the Tender Closing Time.

Without limiting any other grounds for disqualification of a Tender as set out in the 2002/03 GPG CFT:

- if BC Hydro determines, in its sole and unfettered discretion, that any Project Change is such that BC Hydro will not be able to, or cannot, rely on the results of the Generator Interconnection Preliminary Study to compute the Bid Price Adjustments for the project incorporating those Project Changes, a Tender incorporating that Project Change will be disqualified; and
- if BC Hydro determines, in its sole and unfettered discretion, that proper analysis of the impacts of any Project Change is not practicable in light of the 2002/03 GPG CFT schedule, BC Hydro may, in its sole and unfettered discretion, elect not to carry out such analysis and may disqualify any Tender incorporating any such Project Change.

From and after the date of this Addenda to the Tender Closing Time, OGI will not accept any revisions to a bidder’s Generator Interconnection Preliminary Study Application as filed prior to the date of this Addenda regardless of any decision by BC Hydro with respect to any Project Changes.

Project Change Review Process

Bidders who wish to determine the impact on their Tender of a Project Change in advance of the Tender Closing Time must deliver **Attachment A to the Tender Forms together with all information, studies and data necessary to assist BC Hydro in determining the impact of the Project Change on the Mandatory Criteria and the Project Criteria** in a sealed envelope which clearly bears the name and address of the bidder, the project name and the name of the enclosed form to the BC Hydro – Purchasing Department at the following address **not later than 4:00 p.m. (Pacific Time) 11 June, 2003:**

BC Hydro
Green Power Generation
2002/03 GPG CFT
Purchasing Department
6911 Southpoint Drive, 13th Floor
Burnaby, British Columbia, V3N 4X8
Canada

As discussed above, bidders are required to submit other information listed on the attached revised 2002/03 GPG CFT schedule by **11 June 2003**.

If timely and complete submissions are made, then by **2 July 2003**, BC Hydro will advise bidders:

- whether or not the Project Changes described in Attachment A to the Tender would individually or collectively result in disqualification of a Tender incorporating those Project Changes;
- the effect of that decision on the bidder's ability to submit a valid Tender in the 2002/03 GPG CFT process (as discussed in more detail below); and
- whether or not the bidder's proposed revisions to the 2002/03 GPG Standard EPA and/or definitions of "Seller's Plant", "Facility" and "Project" are accepted.

Bidders who are advised that some or all of their proposed Project Changes will result in disqualification of their Tender if it incorporates those Project Changes, may proceed with the project as originally proposed in the bidder's GPG RFQ Qualification Statement or as amended in accordance with those Project Changes accepted by BC Hydro, if BC Hydro determines, in its sole and unfettered discretion, that it can rely on the results of the Generator Interconnection Preliminary Study to calculate the Bid Price Adjustments for the project as originally proposed or as amended in accordance with those Project Changes accepted by BC Hydro. BC Hydro will advise bidders on 2 July, 2003: (i) whether or not they may proceed with the project as originally proposed in the bidder's GPG RFQ Qualification Statement or as amended in accordance with those Project Changes accepted by BC Hydro; or (ii) that BC Hydro requires further information to determine the impact of the accepted Project Changes on the bidder's Generator Interconnection Preliminary Study Application.

Bidders who have been advised that they may proceed with the project as originally proposed in the bidder's GPG RFQ Qualification Statement or as amended in accordance with those Project Changes accepted by BC Hydro must file: (i) a revised Contracted Capacity Profile (Attachment C to the Tender Forms) that is based on the original project proposal or on the project as amended in accordance with the Project Changes accepted by BC Hydro; and (ii) any additional information requested by BC Hydro on 2 July, 2003, by delivering a revised Attachment C to the Tender Forms and any such additional information in a sealed envelope clearly marked with the bidder's name and address, the project name and the name of the enclosed form to the BC Hydro – Purchasing Department at the address set out above **by not later than 4:00 p.m. on 9 July 2003**.

If timely and complete submissions are made, then on **25 July 2003** BC Hydro will:

- provide all bidders with their interconnection cost estimates and Bulk Location, Area and System Adjustments; and
- advise those bidders who, at the request of BC Hydro, submitted additional information on or before 9 July, 2003 of the impact of that information on the bidder's ability to submit a valid Tender in the 2002/03 GPG CFT process.

BC Hydro may, in accordance with the 2002/03 GPG CFT as amended by this Addenda, disqualify any Tender that includes Project Changes that were not reviewed and accepted in accordance with the process described above.