

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

SITE C TRANSMISSION LINE CONSTRUCTION

BLANKET CONTRACT ORDER NO. 102239-Release #1 (for Site C related work)

BLANKET CONTRACT ORDER NO. 102239-Release #2 (for FATES related work)

CONTRACT DOCUMENTS

CONTRACTOR:

ALLTECK LINE CONTRACTORS INC.

CONTENTS

Blanket Contract Order – Release One (Site C)	
Blanket Contract Order – Release Two (FATES)	
Agreement.....	1
Appendix A – General Conditions (Construction)	6
Appendix B – Supplementary General Conditions.....	77
Appendix C – BC Hydro’s Policies and Procedures.....	98
Appendix D – Scope of Work	99
Appendix E – Schedule of Quantities and Prices.....	100
Appendix F – Work Program and Schedule.....	125
Appendix G – Specifications.....	126
Appendix H – Safety Requirements.....	352
Appendix I – Environmental Requirements.....	353
Appendix J – Quality Requirements.....	354
Appendix K – Aboriginal Engagement and Aboriginal Participation	365
Appendix L – Drawings	372
Appendix M – Labour Workforce	384

MAY 2018

**AGREEMENT
CONSTRUCTION**

THIS AGREEMENT (this "**Agreement**") made effective as of the 1st day of May, 2018
(BC Hydro Reference #8186/102239)

BETWEEN:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY, a British Columbia
Crown Corporation having its head office at 333 Dunsmuir Street, Vancouver,
B.C. V6B 5R3

("BC Hydro")

AND:

ALLTECK LINE CONTRACTORS INC., [REDACTED]
[REDACTED]

(the "**Contractor**")

WHEREAS:

- A. BC Hydro intends to construct [insert general description of project] near Fort St. John, BC (the "**Project**") and wishes to enter into a formal contract for the performance of Work relating to the Project; and
- B. the Contractor wishes to enter into a formal contract with BC Hydro for the performance of the Work.

NOW THEREFORE in consideration of the mutual covenants and conditions contained in the Contract, BC Hydro and the Contractor agree as follows:

1.0 THE WORK

1.1 Scope of Work

The Contractor will provide all labour, materials and equipment necessary for the complete performance of the Work. The Contractor will perform the Work in accordance with the requirements of the Contract Documents, including Appendix D – Scope of Work, Appendix G – Specifications and Appendix L – Drawings.

1.2 Initial Work Program and Schedule

Attached at Appendix F – Work Program and Schedule is the initial schedule for the performance of the Work. The Contractor will revise and expand the initial schedule as required in Appendix A – General Conditions (Construction).



1.3 Prime Contractor Designation

For purposes of the Workers Compensation Act (British Columbia) and GC 13.1 the “prime contractor” will be the Contractor.

2.0 **INTERPRETATION**

2.1 Definitions

In this Agreement, unless the context otherwise requires, capitalized terms have the meanings set out in Appendix A – General Conditions (Construction).

2.2 Contract Documents

The following are the “**Contract Documents**”:

- (a) this Agreement;
- (b) Appendix A – General Conditions (Construction);
- (c) Appendix B – Supplementary General Conditions;
- (d) Appendix C – BC Hydro’s Policies and Procedures;
- (e) Appendix D – Scope of Work;
- (f) Appendix E – Schedule of Quantities and Prices;
- (g) Appendix F – Work Program and Schedule;
- (h) Appendix G – Specifications;
- (i) Appendix H – Safety Requirements;
- (j) Appendix I – Environmental Requirements;
- (k) Appendix J – Quality Requirements;
- (l) Appendix K – Aboriginal Engagement and Aboriginal Participation;
- (m) Appendix L – Drawings; and
- (n) Appendix M – Labour Workforce.

3.0 **CONTRACT PRICE**

3.1 Contract Price

As payment for the performance of the Work, BC Hydro will pay the Contractor [REDACTED] (the “**Contract Price**”), plus GST. [REDACTED]

3.2 Entire Compensation

The Contract Price will be the entire compensation owing to the Contractor for the complete performance of the Work and this compensation will cover and include all profit and all costs of supervision, labour, material, equipment, transportation and delivery, overhead, financing, unrecoverable taxes and duties, and all other costs and expenses whatsoever incurred by the Contractor in performing the Work.

4.0 REPRESENTATIVES

For the purposes of GC.2.1 and GC.3.1, the following are the initial Representatives of the parties:

Hydro's Representative: 

Contractor's Representative: 

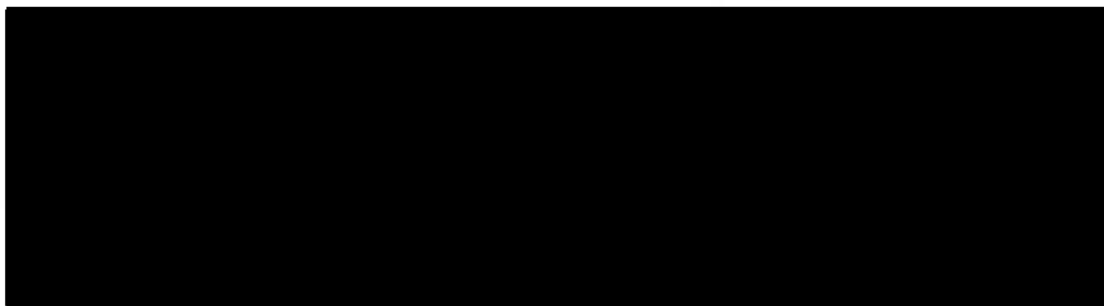
If no names or contact details are included in this Section 4.0 as of the Effective Date, then each party will promptly give written notice to the other party of their respective Representative in accordance with GC.2.1 and GC.3.1, as applicable. Either party may, at any time and from time to time, change its Representative in accordance with GC.2.1 and GC.3.1, as applicable.

5.0 NOTICES

5.1 Address for Notice

Any notice or communication required or permitted to be given under the Contract will be in writing. Any notice or communication required or permitted to be given under GC.9, GC.10, GC.11 or GC.12 will only be considered to have been sufficiently given when delivered by registered mail or by hand to the address of the applicable party set out below. Any other notice or communication required or permitted to be given under the Contract will be considered to have been sufficiently given when delivered by registered mail, by hand, by email or by other designated form of communication to the applicable party as set out below:

(a) if to BC Hydro:



- (b) if to the Contractor:



- (c) to such other address as either party may, from time to time, designate in the manner set out above, provided that the Contractor may not change its address under this Section 5.1 to an address other than one in British Columbia without BC Hydro's prior written consent.

5.2 Delivery of Email

For the purposes of Section 5.1, unless otherwise agreed in writing between Hydro's Representative and the Contractor's Representative, a notice or communication delivered by email or other designated form of electronic communication is deemed to have been delivered when:

- (a) it enters an information processing system that the recipient has designated for the purpose of receiving notices and other communications under this Contract; and
- (b) it is in a form capable of being processed by that system.

An email or other electronic communication is deemed to be delivered under this Section 5.2 even if no individual with the recipient is aware of its delivery.

6.0 LANGUAGE

All documents to be given under the Contract will be provided in English and the Contractor's Representative and Key Personnel will be fluent in English.

7.0 AMENDMENTS

No amendment to the terms of the Contract will be binding on BC Hydro or the Contractor, unless made in writing and signed by an authorized representative of each party.

8.0 ENTIRE AGREEMENT, WAIVERS AND CONSENTS IN WRITING

The Contract Documents, and the instruments and documents to be executed and delivered pursuant to the Contract Documents, constitute the entire Contract between the parties, expressly superseding all prior agreements and communications (both oral and written) between the parties with respect to all matters contained in the Contract Documents and such instruments and documents, and contains all the representations and warranties of the respective parties. In addition:

- (a) no waiver of any provision of the Contract; and
- (b) no consent required pursuant to the Contract Documents,



is binding or effective unless it is in writing and signed by an authorized signatory of the party providing such waiver or consent.

9.0 ASSIGNMENT

Neither party may assign the Contract, in whole or in part, without the prior written consent of an authorized representative of the other party, which consent may not be unreasonably withheld. Notwithstanding the foregoing, BC Hydro may assign the Contract to any of its Affiliates or to any third party that amalgamates or merges with BC Hydro or which acquires all or substantially all of the assets of BC Hydro or which was, immediately prior to the assignment, a part of BC Hydro, conditional upon the successor covenanting and agreeing with the Contractor to be bound to the Contractor by the provisions of the Contract. Subject to the foregoing, the Contract will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

10.0 FURTHER ASSURANCES

Each party will do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including certificates, declarations, affidavits, reports and opinions) and things as the other party may reasonably request for the purpose of giving effect to the Contract or for the purpose of establishing compliance with the representations, warranties and obligations of the Contract.

11.0 GOVERNING LAW

The Contract will be governed by and construed in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable in British Columbia.

12.0 COUNTERPARTS

This Agreement may be executed and delivered in several counterparts, including by facsimile (or other similar electronic means, including via pdf), each of which when so executed and delivered will be deemed to be an original and such counterparts together will be one and the same instrument.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY



Authorized Signatory

ALLTECK LINE CONTRACTORS INC.



APPENDIX A – GENERAL CONDITIONS (CONSTRUCTION)**CONTENTS**

Clause	Title	Page
GC.1	INTERPRETATION	10
	1.1 Definitions	10
	1.2 Interpretation	14
	1.3 Priority of Contract Documents	15
GC.2	CONTRACTOR'S REPRESENTATIVE	16
	2.1 Appointment of Contractor's Representative	16
	2.2 Authority of Contractor's Representative	16
	2.3 Delegation of Contractor's Representative's Authority	16
GC.3	HYDRO'S REPRESENTATIVE	16
	3.1 Appointment of Hydro's Representative	16
	3.2 Authority of Hydro's Representative	16
	3.3 Delegation of Hydro's Representative's Authority	17
	3.4 Role of Hydro's Representative	17
	3.5 Contract Interpretation	18
GC.4	EXECUTION OF THE WORK	18
	4.1 Control of Work	18
	4.2 Standard of Work	18
	4.3 Site Conditions	19
	4.4 Documents at Site	19
	4.5 Monuments and Controls	19
	4.6 Permits	19
	4.7 Work by Other Contractors or BC Hydro	20
	4.8 Removal, Disposal and Replacement of BC Hydro's Existing Facilities and Property	20
	4.9 Temporary Structures	20
	4.10 Errors in Contract Documents	20
	4.11 Contractor Quality Plan	21
	4.12 Work Program and Schedule	21
	4.13 Supervision	22
	4.14 Subcontractors	22
	4.15 Key Personnel	24
	4.16 Skilled Workers	24
	4.17 Removal of Persons	24
	4.18 Aboriginal Engagement and Aboriginal Participation	24
	4.19 BC Hydro Property	25
	4.20 Tests and Inspections	25
	4.21 Submittals	27
	4.22 Issued for Construction Drawings	28
	4.23 Record Drawings and Mark-Ups	29
	4.24 Tidy Site	29
	4.25 Electronic Data Site	30
GC.5	CONTRACT PRICE AND PAYMENT	30
	5.1 Breakdown of Contract Price	30
	5.2 Direct Deposit Application Form	30
	5.3 Application for Payment	31
	5.4 Materials on Site	32
	5.5 Application for Payment Not a Waiver	32
	5.6 Payment	32
	5.7 Payment Not a Waiver	32

	5.8	Performance Security Holdback	32
	5.9	Performance Security Holdback Release	33
	5.10	Right of Set-off	33
	5.11	Application for Substantial Completion	33
	5.12	Substantial Completion	33
	5.13	Deficiencies Holdback	34
	5.14	Application for Total Completion	35
	5.15	Total Completion	35
	5.16	Limitation of Certificates	35
	5.17	Waiver of Claims	35
	5.18	Provisional Sums	35
GC.6		CHANGES	36
	6.1	Changes	36
	6.2	Change Directive	36
	6.3	Contemplated Change	36
	6.4	Claim for a Change	38
	6.5	Valuation of a Change	38
	6.6	Quantity Variation	40
	6.7	Net Valuation of Cost of a Change	41
	6.8	Adjustments to Time for the Performance of Work	41
	6.9	No Change Without Written Order	41
	6.10	Emergency	41
	6.11	Optional Work	42
GC.7		DELAYS AND ACCELERATION	42
	7.1	Delay by BC Hydro	42
	7.2	Delay by Contractor	42
	7.3	Labour Disputes	42
	7.4	Force Majeure	42
	7.5	Concurrent Delay	43
	7.6	Notice of Delay	43
	7.7	Acceleration to Recover Contractor Delays	44
	7.8	Acceleration for BC Hydro's Convenience	44
GC.8		BONDING	44
	8.1	Performance and Payment Security	44
GC.9		CONTRACTOR DEFAULT	45
	9.1	Failure to Perform	45
	9.2	Bankruptcy	46
	9.3	Termination for Cause	46
GC.10		BC HYDRO DEFAULT	47
	10.1	Failure to Perform	47
	10.2	Termination for Cause	48
GC.11		SUSPENSION OR TERMINATION OF CONTRACT OTHER THAN FOR DEFAULT	48
	11.1	Suspension or Termination for Convenience	48
	11.2	Rights upon Termination for Convenience	49
	11.3	Obligations During Suspension	49
	11.4	Termination for Force Majeure	49
GC.12		DISPUTES	50
	12.1	Dispute Resolution	50
	12.2	Good Faith Efforts to Resolve any Dispute	50
	12.3	Dispute Notice	50
	12.4	Initial Settlement Meeting	50
	12.5	Additional Settlement Meetings	50
	12.6	Representatives at Settlement Meetings	51
	12.7	Ultimate Time for Settlement	51
	12.8	Arbitration	51
	12.9	No Influence	52

	12.10	Interest.....	52
	12.11	Must Continue with Work.....	52
	12.12	Injunctions.....	52
GC.13		PROTECTION OF PERSONS, PROPERTY AND THE ENVIRONMENT.....	52
	13.1	Site Safety	52
	13.2	Protection of Work and Property	54
	13.3	Hazardous Substances	55
	13.4	Discovery of Hazardous Substances	55
	13.5	Protection of the Environment	55
	13.6	Heritage Resources.....	56
	13.7	Dangerous Goods	57
	13.8	Dangerous Goods Occurrence.....	57
	13.9	No Asbestos Containing Materials	57
GC.14		CONFIDENTIALITY	58
	14.1	BC Hydro Confidential Information.....	58
	14.2	Contractor Confidential Information.....	58
	14.3	Permitted Disclosure	58
	14.4	Exceptions to Confidentiality Obligations	59
GC.15		RECORDS AND AUDIT	59
	15.1	Retention of Documents	59
	15.2	Audit.....	59
	15.3	Audit Not a Waiver.....	60
GC.16		INSURANCE	60
	16.1	Contractor Provided Insurance Coverage	60
	16.2	Requirements for Contractor Provided Insurance	62
	16.3	Minimum Insurance	63
	16.4	BC Hydro's Right to Maintain	63
	16.5	Subcontractor Insurance	63
	16.6	Deductibles	63
	16.7	Liability of Contractor	64
	16.8	Notice of Occurrence and Claim	64
	16.9	Claims Cooperation	64
GC.17		INDEMNIFICATION	64
	17.1	Contractor Indemnity	64
	17.2	Conduct of Claims	65
	17.3	Separate Counsel.....	65
	17.4	Limitation on Settlement.....	65
	17.5	Intellectual Property Indemnification	65
GC.18		LIMITATION OF LIABILITY	66
	18.1	Limitation of Liability	66
	18.2	Consequential Damages	66
	18.3	Exceptions to Limitation of Liability	67
GC.19		WARRANTY	68
	19.1	Warranty	68
	19.2	Quality of Equipment, Products and Materials	68
	19.3	Length of Warranty	68
	19.4	Partial Take Over.....	69
	19.5	Assignment.....	69
	19.6	Defects.....	69
	19.7	Failure to Remedy Defects	69
	19.8	Removal of Defective Work	70
	19.9	BC Hydro Correction in Emergency	70
GC.20		COMPLIANCE WITH LAWS AND BC HYDRO'S POLICIES AND PROCEDURES.....	70
	20.1	Compliance with Laws.....	70
	20.2	Compliance with BC Hydro's Policies and Procedures.....	70

GC.21	PRIVACY	70
	21.1 Compliance with FOIPPA	70
	21.2 Default	70
GC.22	TAXES AND DUTIES	71
	22.1 Tax Included in Contract Price	71
	22.2 GST	71
	22.3 Input Tax Credits	71
	22.4 Payment of Taxes.....	71
	22.5 Tax Indemnity	71
	22.6 Non-Resident.....	72
	22.7 GST Flow-Through	72
	22.8 Tax Exemptions and Refunds	72
	22.9 Tax Consequences.....	72
GC.23	CONTRACTOR'S REPRESENTATIONS AND WARRANTIES	73
	23.1 Contractor's Corporate Representations and Warranties	73
	23.2 Contractor's Performance Representations and Warranties.....	73
GC.24	INTELLECTUAL PROPERTY	73
	24.1 Grant of License	73
	24.2 Third Party Intellectual Property	74
	24.3 Royalty and Patent Fees	74
GC.25	MISCELLANEOUS	74
	25.1 International Sale of Goods	74
	25.2 Duty to Mitigate.....	74
	25.3 Change of Law	74
	25.4 Severability	75
	25.5 Joint and Several Liability.....	75
	25.6 Independent Contractor	75
	25.7 Third Persons	75
	25.8 Public Communications	75
	25.9 Attornment	75
	25.10 Rights and Remedies Cumulative	76
	25.11 Survival.....	76

GC.1 INTERPRETATION

1.1 Definitions

In the Contract, unless the context otherwise requires:

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control of, such Person, and a Person will be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or determine the direction of the management and policies of such other Person, whether through ownership of voting securities, by contract or otherwise;

“Agreement” means the form of agreement which is signed by the parties and included in the Contract Documents;

“BC Hydro” means the entity identified as “BC Hydro” on the first page of the Agreement;

“BC Hydro Property” means any design, facilities, property, equipment, including construction equipment and small tools, replacement parts, furnishings, materials and supplies of any kind provided to the Contractor by BC Hydro or by a third party at the direction of BC Hydro for the performance of the Work and whether or not incorporated into the Work;

“BCICAC” has the meaning set out in GC.12.8;

“Change” has the meaning set out in GC.6.1;

“Change Directive” has the meaning set out in GC.6.2;

“Change Order” has the meaning set out in GC.6.1;

“Claim” means any claim, demand, action, cause of action, suit or proceeding, whether for damages, contribution, indemnity or any other relief;

“Claim Costs” means any and all losses, damages, costs, penalties and expenses arising from or related to a Claim, including actual legal (on a solicitor and his own client basis), accounting and expert costs and expenses incurred in the investigation, defence or settlement of a Claim;

“Confidential Information” has the meaning set out in GC.14.1;

“Consequential Damages” has the meaning set out in GC.18.2;

“Contemplated Change” has the meaning set out in GC.6.3;

“Contract” means the contract to be awarded to the Preferred Proponent pursuant to this RFP;

“Contract Documents” means the documents listed and described in Section 2.2 of the Agreement;

“Contract Price” has the meaning set out in Section 3.1 of the Agreement;

“Contractor” means the entity identified as “Contractor” on the first page of the Agreement;

“**Contractor Duties**” has the meaning set out in GC.22.4;

“**Contractor Quality Plan**” has the meaning set out in GC.4.11(a);

“**Contractor Taxes**” has the meaning set out in GC.22.4;

“**Contractor’s Representative**” has the meaning set out in GC.2.1;

“**Dangerous Goods**” has the meaning set out in the *Transportation of Dangerous Goods Act* (Canada);

“**Default Costs**” has the meaning set out in GC.9.3(c)(i);

“**Deposit Application**” has the meaning set out in GC.5.2;

“**Dispute**” has the meaning set out in GC.12.1;

“**Dispute Notice**” has the meaning set out in GC.12.3;

“**Dispute Resolution Procedure**” means the dispute resolution procedure set out in GC.12;

“**Effective Date**” means the effective date of the Contract as set out on the first page of the Agreement;

“**Environmental Protection Plan**” has the meaning set out in GC.13.5(a)(i);

“**FOIPPA**” means the *Freedom of Information and Protection of Privacy Act* (British Columbia);

“**Force Majeure**” means an event beyond the reasonable control of a party and includes any work stoppage (including strike, lock-out, picket or other labour dispute) that is not described by GC.7.3, war, invasion, insurrection, civil or social unrest, riot, armed conflict, act of foreign enemy, revolution, terrorist act, interference by military authorities, nuclear explosion, contamination by ionizing radiation, epidemic or quarantine restriction, earthquake, tidal wave or other natural calamities, that prevents, delays or interrupts the performance of any obligation under the Contract, provided such event does not occur by reason of: (i) the negligence of the party claiming Force Majeure (or those for whom it is in law responsible); or (ii) any act or omission of the party claiming Force Majeure (or those for whom it is in law responsible) that is in breach of the provisions of the Contract, but Force Majeure does not include: (x) a party’s lack of funds; (y) the bankruptcy or insolvency of any Subcontractor; or (z) a shortage or unavailability of labour, equipment or materials unless such shortage or unavailability is caused by a Force Majeure;

“**Good Industry Practice**” means the standards, practices, methods and procedures to a good professional and commercial standard, conforming to Laws and exercising that degree of skill, care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a qualified, skilled and experienced person engaged in a similar type of undertaking under the same or similar circumstances;

“**Governmental Authority**” means any federal, provincial, territorial, regional, municipal or local authority, quasi-governmental authority, court, government, or self-regulatory organization, commission, board, tribunal, organization, or any regulatory, administrative or other agency, or

any political or other subdivision, department or branch of any of the foregoing, having jurisdiction in any way over or in respect of any aspect of the performance of the Contract or the Project;

“**GST**” means the value added tax imposed in Canada pursuant to Part IX of the *Excise Tax Act* (Canada);

“**Hazardous Substance**” means any substance, mixture of substances, product, waste, organism, pollutant, material, chemical, contaminant, dangerous good, constituent or other material which is or becomes listed, regulated or addressed under any Law respecting the use, manufacture, importation, handling, transportation, storage, disposal and treatment of the substance, mixture of substances, product, waste, organism, pollutant, material, chemical, contaminant, dangerous good, constituent or other material;

“**Hydro’s Representative**” has the meaning set out in GC.3.1;

“**Indemnified Parties**” has the meaning set out in GC.17.1;

“**Indemnified Party**” has the meaning set out in GC.17.1;

“**Key Personnel**” means those individuals expressly identified in the Contract Documents, if any;

“**Laws**” means all valid laws, including common law, federal, provincial, and municipal statutes, bylaws, and other local laws, orders, rules, regulations, approvals and policies of any Governmental Authority, including those related to occupational health and safety, fire, employment insurance, workers’ compensation, the transportation and handling of Hazardous Substances, the transportation and handling of dangerous goods, environmental protection, standards, building codes and other governmental requirements, work practices and procedures, that are applicable to the discharge of obligations set out in the Contract Documents, including the performance of the Work;

“**Limited Licensee**” means a person who is permitted, within the scope specified in their limited license, to practice professional engineering under the *Engineers and Geoscientists Act* (British Columbia);

“**Optional Work**” means Work which may be described in Appendix D – Scope of Work and Appendix E – Schedule of Quantities and Prices that will be undertaken and included in the Work at the election of BC Hydro;

“**Other Contractor**” has the meaning set out in GC.4.7;

“**Performance Security Holdback**” has the meaning set out in GC.5.8;

“**Permits**” means all permissions, consents, approvals, registrations, certificates, permits, licences, statutory agreements and authorizations required from any Governmental Authority, and all necessary consents and agreements from any third parties, needed to carry out the Work in accordance with the Contract Documents;



“Person” means any individual, sole proprietorship, corporation, company, partnership, unincorporated association, association, institution, entity, party, trust, joint venture, estate, cooperative or other judicial entity;

“Personal Information” means recorded information about an identifiable individual, other than contact information (as defined in FOIPPA), collected, created or otherwise acquired by the Contractor as a result of the Contract or any previous agreement between BC Hydro and the Contractor dealing with the same subject matter as the Contract;

“Prime Rate” means the floating annual rate of interest established by the Bank of Montreal from time to time as its reference rate of interest, to determine the interest rate it will charge for loans in Canadian dollars to its customers in Canada and designated as its “Prime Rate”;

“Professional Engineer” means a person who is registered or licensed as a professional engineer under the *Engineers and Geoscientists Act* (British Columbia);

“Progress Payment Estimate” has the meaning set out in GC.5.3(a);

“Project” has the meaning set out in Recital A of the Agreement, of which the Work is a part;

“Project Related Permits” means those Permits, if any, as expressly set out in the Supplementary General Conditions;

“PST” means the retail sales tax imposed in British Columbia pursuant to the *Provincial Sales Tax Act* (British Columbia);

“Quotation” has the meaning set out in GC.6.3;

“Representative” means either Hydro’s Representative or the Contractor’s Representative, as the case may be;

“Safety Management Plan” has the meaning set out in GC.13.1(f)(i);

“Settlement Agreement” has the meaning set out in GC.12.5;

“Site” means the location where the constructed Work is to be finally or permanently located or installed and for purposes of GC.13.1 (Site Safety) also includes any other location owned or controlled by BC Hydro where Work is to be performed;

“Subcontractor” has the meaning set out in GC.4.14;

“Submittal” has the meaning set out in GC.4.21;

“Submittal Schedule” has the meaning set out in GC.4.21;

“Substantial Completion” has the meaning set out in GC.5.12;

“Total Completion” has the meaning set out in GC.5.15;

“Warranty Period” has the meaning set out in GC.19.3;



“Work” means and includes anything and everything required to be done for the fulfilment and completion of the Contract; and

“Work Program and Schedule” has the meaning set out in GC.4.12(a).

Any words or phrases defined elsewhere in the Contract will have the particular meaning assigned to such words or phrases.

1.2 Interpretation

Except as expressly set out otherwise in the Contract Documents or the context otherwise requires, the following will apply to the interpretation of the Contract:

- (a) where there is a reference in any Contract Document to:
 - (i) “Supplier”, it will be read as a reference to “the Contractor”; and
 - (ii) “Services”, it will be read as a reference to “the Work” as a whole or the applicable portion of the Work, as the context requires;
- (b) headings are for convenience and reference only and will not affect the interpretation of the Contract;
- (c) all dollar figures will mean Canadian dollars;
- (d) any notice or communication required or permitted to be given under the Contract will be in writing;
- (e) words importing the singular include the plural, and vice versa;
- (f) words importing gender include all genders;
- (g) where a reference is made to a “day”, “week”, “month” or “year”, the reference is to the calendar period;
- (h) where the date for any delivery or response falls on a Saturday, Sunday or statutory holiday observed in British Columbia, the date for such delivery or response will be extended to the next following day which is not a Saturday, Sunday or statutory holiday observed in British Columbia;
- (i) in the calculation of time, the first day will be excluded and the last day will be included;
- (j) the words in the Contract Documents will bear their natural or defined meaning;
- (k) the word “including” is deemed to be followed by “without limitation”;
- (l) any reference to a statute will include such statute and its corresponding regulations, together with all amendments made to such statute and regulations and in force from time to time, and any statute or regulation that may be passed which has the effect of amending, supplementing or superseding the statute referred to or such statute’s corresponding regulations; and

- (m) the parties confirm that they each have obtained independent legal advice, or elected not to obtain such advice, and accordingly agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be applicable in the interpretation of the Contract.

1.3 Priority of Contract Documents

If there is any inconsistency or conflict between provisions of the Contract Documents, then:

- (a) the order of priority between the Contract Documents, from highest to lowest with the Agreement having the highest priority, is as follows:
- (i) the Agreement;
 - (ii) Appendix B – Supplementary General Conditions;
 - (iii) Appendix A – General Conditions (Construction);
 - (iv) Appendix D – Scope of Work;
 - (v) Appendix E – Schedule of Quantities and Prices;
 - (vi) Appendix F – Work Program and Schedule;
 - (vii) Appendix L – Drawings;
 - (viii) Appendix G – Specifications;
 - (ix) Appendix H – Safety Requirements;
 - (x) Appendix I – Environmental Requirements;
 - (xi) Appendix J – Quality Requirements;
 - (xii) Appendix K – Aboriginal Engagement and Aboriginal Participation; and
 - (xiii) Appendix C – BC Hydro’s Policies and Procedures;
 - (xiv) Appendix M – Labour Workforce
- (b) drawings of a larger scale have priority over drawings of a smaller scale;
- (c) figured dimensions on a drawing will govern over scaled measurements on the same drawing; and
- (d) documents of a later date will always supersede a similar type of document of an earlier date.

GC.2 CONTRACTOR'S REPRESENTATIVE

2.1 Appointment of Contractor's Representative

The Contractor will, upon executing the Agreement, designate in writing an individual (the "**Contractor's Representative**") to be the Contractor's representative and single point of contact with respect to the Contract. The Contractor will give prompt written notice of such appointment to Hydro's Representative. If, for any reason, the appointed Contractor's Representative's appointment is discontinued, then the Contractor will, as soon as practicable, appoint a replacement and give prompt written notice to Hydro's Representative of such replacement. If, at any time, Hydro's Representative, acting reasonably, objects to the Contractor's Representative, then the Contractor will give consideration to replacing the Contractor's Representative with a Person acceptable to Hydro's Representative. The Contractor's Representative may, at the Contractor's election, be an employee of the Contractor, or be a consultant or other third party.

2.2 Authority of Contractor's Representative

The Contractor's Representative will have full authority to act on behalf of and bind the Contractor under the Contract and be the Contractor's representative and agent to protect the Contractor's interests under the Contract. The Contractor's Representative may consult with other representatives of the Contractor before giving any response, direction or consent as may be required under the Contract.

2.3 Delegation of Contractor's Representative's Authority

The Contractor's Representative may, by written notice to Hydro's Representative with details of the nature and extent of the delegation, delegate to others some or all of the Contractor's Representative's authority under the Contract.

GC.3 HYDRO'S REPRESENTATIVE

3.1 Appointment of Hydro's Representative

BC Hydro will appoint an individual ("**Hydro's Representative**") to be BC Hydro's single point of contact with respect to the Contract. BC Hydro will give prompt written notice of such appointment to the Contractor. If, for any reason, the appointed Hydro's Representative's appointment is discontinued, then BC Hydro will, as soon as practicable, appoint a replacement and give prompt written notice to the Contractor of such replacement. If, at any time, the Contractor's Representative, acting reasonably, objects to Hydro's Representative, then BC Hydro will give consideration to replacing Hydro's Representative with a Person acceptable to the Contractor's Representative. Hydro's Representative may, at BC Hydro's election, be an employee of BC Hydro, or be a consultant or other third party.

3.2 Authority of Hydro's Representative

Hydro's Representative will have authority to act on behalf of BC Hydro only to the extent expressly set out in the Contract Documents, including as described in GC.3.4, but otherwise Hydro's Representative will not have the authority to execute or agree to any amendments to the Contract or to waive any of BC Hydro's rights under the Contract. Hydro's Representative's authority, as set out in the Contract Documents, will not relieve the Contractor of any of its

duties, obligations or responsibilities under the Contract to perform the Work in accordance with the requirements of the Contract Documents, and Hydro's Representative will not be responsible for or have control of the performance of the Work. Hydro's Representative will not be responsible for or have control over the acts or omissions of the Contractor, Subcontractors, or their employees or other Persons engaged by or through them.

3.3 Delegation of Hydro's Representative's Authority

Hydro's Representative may, by written notice to the Contractor with details of the nature and extent of the delegation, delegate to others some or all of Hydro's Representative's authority under the Contract.

3.4 Role of Hydro's Representative

The role of Hydro's Representative will be to:

- (a) provide administration of the Contract as described in the Contract Documents;
- (b) provide the Contractor with additional instructions in the form of specifications, drawings, samples, models or other written instructions, to supplement the previously issued Contract Documents, as may be necessary for the performance of the Work;
- (c) without derogating from or negating any of Hydro's Representative's other obligations set out in the Contract, act as BC Hydro's representative and agent to protect BC Hydro's interests under the Contract;
- (d) make all commercially reasonable efforts to respond promptly to the Contractor's requests for additional instructions, and, if it becomes apparent that a number of additional instructions will be required, then cooperate with the Contractor to establish a schedule for the issuance of such additional instructions;
- (e) in accordance with the requirements of the Contract Documents, review and take appropriate action upon receiving Submittals, including:
 - (i) shop drawings, product data and samples; and
 - (ii) written guarantees, warranties and manuals to be provided by the Contractor;
- (f) except as expressly set out otherwise in the Contract Documents, when required, set out or cause to be set out survey monuments or control points at the Site, sufficient to enable the Contractor to determine the required lines and grades for the performance of the Work;
- (g) prepare, sign and issue Change Orders, Change Directives and Contemplated Changes in accordance with the requirements of GC.6;
- (h) review supporting documentation as required to determine the amounts owing to the Contractor under the Contract and perform the tasks relating to payment as required under GC.5;
- (i) perform inspections of the Work and the performance of the Work; and

- (j) undertake all other duties of Hydro's Representative as described in the Contract Documents.

3.5 Contract Interpretation

Hydro's Representative will be, in the first instance, the interpreter of the Contract Documents and the judge of the performance of BC Hydro and the Contractor. Hydro's Representative's interpretations and judgments will be consistent with the Contract Documents and, in making such interpretations and judgments, Hydro's Representative will act reasonably. With respect to interpretation of the Contract Documents:

- (a) either party may, at any time, by written request, refer any question relating to the Contract, including questions regarding claims relating to the performance of the Work or questions regarding the interpretation of the Contract Documents, to Hydro's Representative for a written direction, instruction or decision;
- (b) Hydro's Representative will, within ten days of a written request, or such other period of time (longer or shorter) as reasonably required in the circumstances, deliver a written direction, instruction or decision to each of BC Hydro and the Contractor's Representative; and
- (c) if a party disputes a written direction, instruction or decision of Hydro's Representative, then the disputing party may deliver a Dispute Notice to have the Dispute dealt with pursuant to GC.12.

The Contractor will proceed with the performance of the Work without delay in accordance with any written direction, instruction or decision given by Hydro's Representative with respect to a requested interpretation, without prejudice to the Contractor's rights to dispute the written direction, instruction or decision, pursuant to GC.3.5(c).

GC.4 EXECUTION OF THE WORK

4.1 Control of Work

Except as expressly set out otherwise in the Contract Documents, including GC.4.22, the Contractor will:

- (a) have complete control of the Work and will effectively direct and supervise the Work so that it conforms to the Contract Documents; and
- (b) be solely responsible for construction means, methods, techniques, sequences and procedures and for coordinating the various parts of the Work.

4.2 Standard of Work

The Contractor will perform the Work in accordance with:

- (a) the Contract Documents;
- (b) Laws and Permits; and
- (c) Good Industry Practice.



If more than one standard, including building codes, other governmental requirements, work practices and procedures, and specifications, applies to the performance of the Work, then the standard(s) that produce the highest level of quality, safety, reliability, durability and performance will apply.

4.3 Site Conditions

The Contractor is deemed to have examined the Site and the local conditions related to the Work and to be knowledgeable of the Site and of all such conditions as would be apparent to a qualified and experienced contractor upon review of the Contract Documents and inspection of the Site, including, as applicable, geotechnical and subsurface conditions, Site drainage, Site access, local weather, availability of labour, equipment and materials and any other relevant matters. Except as provided by the following paragraph, the Contractor will not be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or the time for the performance of the Work on the basis that the actual Site or actual local conditions related to the Work are different than anticipated by the Contractor.

To the extent the actual Site or actual local conditions related to the Work or both would not be apparent to a qualified and experienced contractor upon review of the Contract Documents and inspection of the Site as of the date the Contractor submitted its competitive tender or proposal for the Work to BC Hydro, the Contractor will be entitled to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro's Representative promptly upon the Contractor becoming aware of any impact on the Contract Price or the time for the performance of the Work, or, in any event, promptly after the date when the Contractor should reasonably have become aware of the impact on the Contract Price or the time for the performance of the Work.

4.4 Documents at Site

BC Hydro will provide the Contractor, without charge, one copy of the Contract Documents. The Contractor will, at all times, keep and maintain one copy of a complete set of the current Contract Documents and all Issued for Construction drawings, record drawings, accepted shop drawings, revised or supplementary drawings or specifications and other design details, that have been issued by Hydro's Representative, the Contractor or any Subcontractor, at the Site and, to the extent as required by Good Industry Practice, at all other locations other than the Site where the Work or its components are being fabricated or manufactured, in good order and available for review by Hydro's Representative.

4.5 Monuments and Controls

The Contractor will protect and preserve all survey monuments and control points, if any, installed by or on behalf of BC Hydro at the Site and will, at the Contractor's sole cost and expense, replace or re-establish any such monument or control point as may be destroyed or disturbed by the Contractor or any Subcontractor.

4.6 Permits

BC Hydro will obtain all Project Related Permits, if any. The Contractor will, as part of the Work, provide all assistance reasonably requested by BC Hydro to obtain all Project Related Permits. The Contractor will, as part of the Work, obtain all Permits required for the performance of the Work, except for Project Related Permits.

4.7 Work by Other Contractors or BC Hydro

BC Hydro reserves the right to engage other contractors (each, an “**Other Contractor**”) and to use BC Hydro’s own forces to perform work at the Site during the time for the performance of the Work. With respect to any work performed, or to be performed, at the Site by Other Contractors or BC Hydro’s own forces:

- (a) the Contractor will coordinate the performance of the Work with the work of all Other Contractors and BC Hydro’s own forces, and perform the Work to connect to such other work as specified or shown in the Contract Documents. If such coordination and connection directly causes the Contractor to incur costs or delays or both that could not have been reasonably anticipated by the Contractor as of the Effective Date, then the Contractor will be entitled to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor’s notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro’s Representative promptly upon the Contractor becoming aware of such circumstances, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such circumstances; and
- (b) if the Contractor discovers any deficiencies in the work of an Other Contractor or BC Hydro’s own forces that may affect the Work, then the Contractor will immediately, and before proceeding with the affected Work, report such deficiencies to Hydro’s Representative and then confirm such report in writing if the initial report was not in writing.

4.8 Removal, Disposal and Replacement of BC Hydro’s Existing Facilities and Property

Except as may be expressly provided otherwise in the Contract Documents, the Contractor will, as part of the performance of the Work, remove, dispose of and replace any existing BC Hydro facilities and property necessary for the Contractor to perform the Work in accordance with the Contract Documents and to fulfill the Contractor’s obligations under the Contract, including with respect to the Contractor’s obligations under GC.19.2(d).

4.9 Temporary Structures

The Contractor will have the sole responsibility for the design, erection, operation, use, maintenance and removal of temporary supports, structures, facilities, services and other temporary items required by the Contractor for the performance of the Work. The Contractor will, as part of the Work, engage and pay for registered Professional Engineers or Limited Licensees skilled and knowledgeable in the appropriate disciplines to provide professional engineering services with respect to such temporary supports, structures, facilities, services and other temporary items where required by Law or by the Contract Documents and, in any event, in all cases where such temporary supports, structures, facilities, services and other temporary items are of such a nature, including with respect to their method of construction, that safety or Good Industry Practice requires the skill and knowledge of a qualified Professional Engineer or Limited Licensee.

4.10 Errors in Contract Documents

The Contractor will review the Contract Documents and promptly report to Hydro’s Representative any discovered error, inconsistency or omission. If the Contractor discovers any error, inconsistency or omission in the Contract Documents, then the Contractor will not proceed

with the Work affected by such error, inconsistency or omission without first receiving directions or clarifications from Hydro's Representative. If the Contractor has not received such directions or clarifications within seven days of written notice of the error, inconsistency or omission to Hydro's Representative, then the Contractor will be entitled to claim an adjustment to the Contract Price or the time for the performance of the Work or both with respect to any delay after the seven day period in receiving directions or clarifications. If the Contractor proceeds with such affected Work after becoming aware of an error, inconsistency or omission, or, in any event, after the time when a qualified and experienced contractor should reasonably have become aware of the error, inconsistency or omission, without first receiving directions or clarifications from Hydro's Representative, then the Contractor will, at the Contractor's sole cost and expense, remove, replace or make good any Work which fails to meet the requirements of the Contract Documents. Subject to the above provisions of this GC.4.10, in conducting such review, the Contractor will not be responsible or liable to BC Hydro to discover all errors, inconsistencies or omissions.

4.11 Contractor Quality Plan

The Contractor will:

- (a) within ten days of the Effective Date, or by such later date as Hydro's Representative may agree to in writing, prepare and submit to Hydro's Representative a quality plan (the "**Contractor Quality Plan**") satisfactory to Hydro's Representative, acting reasonably, that is based on the attached Appendix J – Quality Requirements and covering all aspects of the performance of the Work;
- (b) perform all Work in compliance with the Contractor Quality Plan; and
- (c) revise and submit to Hydro's Representative an updated Contractor Quality Plan as required to reflect any changes to the Work, to the satisfaction of Hydro's Representative, acting reasonably,

provided that compliance with the Contractor Quality Plan will not relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work in accordance with the requirements of the Contract Documents.

4.12 Work Program and Schedule

The Contractor will:

- (a) within seven days of the Effective Date, or by such later date as Hydro's Representative may agree to in writing, prepare and submit to Hydro's Representative a revised and expanded work schedule (the "**Work Program and Schedule**"), satisfactory to Hydro's Representative, acting reasonably, that is based on the attached Appendix F – Work Program and Schedule and complies with the milestone dates, if any, as set out in the Contract Documents, and that includes:
 - (i) the planned order and duration of the major activities of the Work, including all critical path activities;
 - (ii) resource (manpower and equipment) loading that will be utilized by the Contractor for the performance of the Work; and

- (iii) sufficient detail to permit Hydro's Representative to be able to understand and monitor the progress of the Work;
- (b) update the Work Program and Schedule to the satisfaction of Hydro's Representative, acting reasonably, on no less than a monthly basis (or as otherwise expressly required by the Work Program and Schedule) so as to incorporate any time adjustments as permitted under the Contract Documents; and
- (c) perform the Work in compliance with the then current Work Program and Schedule, as may be updated under GC.4.12(b). If, for any reason, the performance of the Work falls behind the schedule for the Work set out in the then current Work Program and Schedule, then:
 - (i) if, in accordance with the Contract Documents, the delay entitles the Contractor to an extension of the time for the performance of the Work, then the Contractor will, as part of the Work, include such extension in the next update to the Work Program and Schedule as provided under GC.4.12(b); or
 - (ii) if, in accordance with the Contract Documents, the delay does not entitle the Contractor to an extension of the time for the performance of the Work, then the Contractor will, as part of the Work, take all such steps as are required to bring the Work back into conformity with the then current Work Program and Schedule.

Failure to comply with the requirements of this GC.4.12 will be deemed to be a default under the Contract to which the provisions of GC.9.1 will apply.

4.13 Supervision

The Contractor will provide all necessary supervision on the Site and appoint a competent representative(s) who will be in attendance on the Site while Work is being performed. Such representative(s) may be the same as the Contractor's Representative.

4.14 Subcontractors

The following will apply with respect to all subcontractors, sub-consultants, suppliers, manufacturers and vendors (each, a "**Subcontractor**" and the term "Subcontractor" will be deemed to include all further subcontractors, sub-consultants, suppliers, manufacturers and vendors engaged below a Subcontractor) engaged to perform a portion of the Work:

- (a) the Contractor will not, in the aggregate, subcontract more than 75% of the Work (such that no more than 75% of the Contract Price will be in payment for Work performed by Subcontractor(s)) without the prior written consent of Hydro's Representative, which consent may be arbitrarily withheld;
- (b) unless the Contract Documents identify a specific Subcontractor, the Contractor will not directly or indirectly engage or permit the engagement of a Subcontractor to perform a material portion of the Work without the prior written consent of Hydro's Representative, which consent may be arbitrarily withheld;

- (c) if and to the extent the Contract Documents identify a specific Subcontractor, then the Contractor will not change any such specified Subcontractor without the prior written consent of Hydro's Representative, which consent may be arbitrarily withheld;
- (d) notwithstanding any approval or consent given by Hydro's Representative to the engagement of a Subcontractor, if any event occurs or circumstance arises in relation to a Subcontractor that would, if it occurred or arose with respect to the Contractor, entitle BC Hydro to terminate the rights of the Contractor pursuant to the Contract, then Hydro's Representative may, by written notice to the Contractor's Representative, require the Contractor to discharge or cause to be discharged the Subcontractor and to cancel and terminate or cause to be cancelled and terminated the applicable agreement with the Subcontractor, all without liability to BC Hydro;
- (e) notwithstanding any other provision in the Contract, and in addition to BC Hydro's rights described in GC.4.14(d), Hydro's Representative may, by written notice to the Contractor's Representative, object to any Subcontractor engaged to perform a portion of the Work for any reason. Upon receipt of any such notice, the Contractor will immediately cause such Subcontractor to be removed from the Site, if applicable, and the Project and promptly replaced by a Subcontractor with suitable qualifications and experience. If Hydro's Representative exercises its authority under this GC.4.14(e), the Contractor will be entitled to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro's Representative promptly upon the Contractor becoming aware of the identity of the replacement Subcontractor. Notwithstanding any other provision in this GC.4.14(e), the Contractor will retain all authority and control over its Subcontractors;
- (f) the Contractor will:
 - (i) require all first tier Subcontractors to perform their work in accordance with the Contract Documents;
 - (ii) incorporate the terms and conditions of the Contract Documents into all agreements with first tier Subcontractors, including GC.4.14(d);
 - (iii) make commercially reasonable efforts to have the terms and conditions of the Contract Documents incorporated into all agreements with Subcontractors below the first tier to the extent the terms and conditions of the Contract Documents are applicable to the Work being undertaken by such Subcontractors; and
 - (iv) the Contractor will be fully responsible for the acts, omissions, errors and defaults of a Subcontractor, its employees or other Persons engaged by or through that Subcontractor as if such acts, omissions, errors and defaults were those of the Contractor, and neither the engagement of a Subcontractor by the Contractor nor the approval or consent by Hydro's Representative of or to a Subcontractor will in any way reduce or amend or otherwise alter the Contractor's responsibility for the performance of the Work as set out in the Contract Documents; and
- (g) nothing in the Contract will be construed as creating any contractual relationship between BC Hydro and any Subcontractor or any other Persons engaged by or through a Subcontractor.

4.15 Key Personnel

If Key Personnel are expressly identified in the Contract Documents, then:

- (a) the Contractor will provide the Key Personnel;
- (b) the Contractor will ensure that the Key Personnel will be available to provide the commitment specified in respect of the Key Personnel and will give the performance of the Work sufficient priority over other work, tasks and assignments that they may otherwise have assigned to them in order to ensure performance of the Work in compliance with the Contract;
- (c) none of the Key Personnel will be changed without Hydro's Representative's prior written consent, not to be unreasonably withheld but which consent may be subject to the Contractor satisfying Hydro's Representative, acting reasonably, that the proposed replacement personnel have comparable or superior qualifications and experience to the personnel whom they are proposed to replace;
- (d) if any of the Key Personnel are unable to perform their role due to illness, death or their own voluntary termination of employment or engagement (not induced or requested by their employer or client), the Contractor will immediately replace such personnel with other personnel who have comparable or superior qualifications and experience and who are acceptable to Hydro's Representative, acting reasonably; and
- (e) any changes to Key Personnel made pursuant to GC.4.15 will be at no extra cost or expense to BC Hydro.

4.16 Skilled Workers

The Contractor will employ or engage, and cause all Subcontractors to employ or engage, a sufficient number of skilled and qualified workers to perform the Work in accordance with the Contract Documents.

4.17 Removal of Persons

Hydro's Representative may, by written notice to the Contractor's Representative, object to any person engaged by the Contractor or any Subcontractor for the performance of the Work who, as determined by Hydro's Representative in its sole discretion, has engaged in misconduct, is incompetent, presents a safety risk or does not have adequate working knowledge of the safety rules and procedures applicable to the Site. Upon receipt of any such notice, the Contractor will immediately cause such person to be removed from the Site and the Project and promptly replaced by a person(s) with suitable qualifications and experience, at no extra cost or expense to BC Hydro. Notwithstanding any other provision in this GC.4.17, the Contractor and the Subcontractors will retain all authority and control over their respective employees, agents and Subcontractors.

4.18 Aboriginal Engagement and Aboriginal Participation

The Contractor will perform the Work in accordance and in compliance with Appendix K – Aboriginal Engagement and Aboriginal Participation.



4.19 BC Hydro Property

If BC Hydro provides any BC Hydro Property to the Contractor, then:

- (a) Hydro's Representative will, within seven days of providing such BC Hydro Property to the Contractor, provide the Contractor with a schedule of values showing the replacement value of such BC Hydro Property;
- (b) the Contractor will have care, custody and control of all such BC Hydro Property, but BC Hydro will retain ownership of all BC Hydro Property;
- (c) the Contractor will, at all times, maintain, and make available to Hydro's Representative upon request, a current inventory of all such BC Hydro Property and a description and the location of all such BC Hydro Property, in sufficient detail to permit Hydro's Representative to readily identify and verify the location and condition of all such BC Hydro Property;
- (d) the Contractor will use such BC Hydro Property only for the performance of the Work, and only for the purposes expressly set out in the Contract Documents or for the purposes such BC Hydro Property is typically used; and
- (e) each time BC Hydro provides any BC Hydro Property to the Contractor, the Contractor will promptly update the Broad Form Builders Risk Insurance policy obtained and maintained under GC.16.1(e) to the replacement value of all the BC Hydro Property as provided by Hydro's Representative, and submit a revised certificate of insurance for such policy to Hydro's Representative.

4.20 Tests and Inspections

Hydro's Representative and Hydro's Representative's delegates will have access to the Work at all times, including Work being performed at a location other than the Site, for the purpose of testing and inspecting the Work so as to remain familiar with the progress and quality of all aspects of the Work, and to be able to determine that the Work is proceeding in conformance with the requirements of the Contract Documents. With respect to all such tests and inspections:

- (a) the Contractor will incorporate or cause to be incorporated all such testing and inspection rights in all applicable agreements with Subcontractors, and will take all necessary steps to facilitate such testing and inspection, including maintaining easy access to the Site;
- (b) Hydro's Representative will conduct, in a timely manner, any testing or inspections of the Work, equipment and materials that the Contract Documents require Hydro's Representative to conduct;
- (c) if testing or inspections of the Work, equipment or materials are required by the Contract Documents to be conducted by Hydro's Representative or are required by Law to be conducted by a Governmental Authority, the Contractor will, in accordance with the then current Work Program and Schedule but, in any event, with no less than 14 days notice, notify Hydro's Representative and the applicable Governmental Authority in writing of the date on and the place at which any such testing or inspections can be conducted;

- (d) Hydro's Representative will be entitled to observe all quality tests and inspections, results and data pertaining to the Work, including factory or other tests performed at a location other than the Site, and the Contractor will give written notice to Hydro's Representative of such tests and inspections, results and data in accordance with GC.4.20(b);
- (e) the Contractor will submit to Hydro's Representative copies of all certificates, inspection reports, test reports and quality documentation (all in a format agreed by Hydro's Representative in writing) relating to the Work, promptly after receiving or preparing such certificates, reports and quality documentation;
- (f) Hydro's Representative has the authority to reject any Work that does not conform to the requirements of the Contract Documents, and the Contractor will, at its sole cost and expense, correct such non-compliant Work, subject to the Contractor's rights to dispute under GC.12;
- (g) Hydro's Representative has the authority to stop Work where such Work is not being performed in accordance with the Contract Documents, or where there is a threat, whether or not imminent, to the safety of anyone or anything at the affected area or to the environment;
- (h) Hydro's Representative's authority to order testing, inspect, reject, or otherwise review the Work will be for the benefit of BC Hydro, and such authority will not give rise to any duty or responsibility on Hydro's Representative or BC Hydro to the Contractor, Subcontractors, or their agents, employees or other Persons performing any of the Work, to order testing, inspect, reject, or otherwise review the Work;
- (i) the Contractor will pay for the cost of making any test or inspection, including the cost of samples, if the test or inspection is designated in the Contract Documents to be performed by the Contractor or is required by Law; and
- (j) if the Contractor covers or permits to be covered Work that has been designated in the Contract Documents or by Law for tests, inspections or approvals, before such tests, inspections or approvals are made, given or completed, then Hydro's Representative may direct the Contractor to uncover such Work, as required, so that such tests, inspections or approvals may be completed or given to the satisfaction of Hydro's Representative, acting reasonably. The Contractor will uncover and make good such Work and any other removed or damaged property at the Contractor's sole cost and expense.

The Contractor will perform or cause to be performed all tests and inspections as are called for or required under the Contract Documents, including any tests and inspections required by Law, for the performance of the Work. The tests and inspections required by the Contract Documents or by Law are for BC Hydro's benefit and acceptable test and inspection results will not relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work and to correct defects or deficiencies in the Work, all in accordance with the requirements of the Contract Documents.



4.21 Submittals

If the Contractor is required under the Contract Documents to submit drawings or other documents (each, a “**Submittal**”) to Hydro’s Representative, then:

- (a) the Contractor will prepare and submit a schedule (the “**Submittal Schedule**”) satisfactory to Hydro’s Representative, acting reasonably, setting out and describing:
 - (i) all submissions, drawings or other information that the Contractor is required under the Contract Documents to submit to BC Hydro, including:
 - (A) the subject matter and scope of information to be addressed in each Submittal;
 - (B) the background information, including information that may be proprietary to the Contractor or a Subcontractor, required in order for Hydro’s Representative to understand and review the Submittal; and
 - (C) the form of each Submittal (such as a drawing or specification); and
 - (ii) the order and scheduling requirements of each Submittal in relation to the then current Work Program and Schedule, including reasonable times for review and comment on a Submittal by Hydro’s Representative, such review times to be no less than 14 days after Hydro’s Representative receives a Submittal, or shorter time as agreed by Hydro’s Representative in writing;
- (b) either party’s Representative may from time to time recommend to the other party’s Representative that adjustments are required to update the Submittal Schedule so that it is consistent with the then current Work Program and Schedule, and the Representatives will cooperate to reach agreement on such adjustments. Upon such agreement, the Contractor will provide an updated Submittal Schedule;
- (c) Hydro’s Representative will review a Submittal within the times described in the Submittal Schedule, or such other period of time (longer or shorter) as reasonably required in the circumstances, and return the Submittal to the Contractor stamped with one of the following three notations:
 - (i) “Acceptable” – which will be deemed to mean that Hydro’s Representative did not observe any aspect or element of the Submittal that did not comply with the Contract Documents;
 - (ii) “Acceptable with Modifications” – which will be deemed to mean that, subject to the amendments or corrections as noted in writing by Hydro’s Representative, the Submittal is Acceptable, as defined in GC.4.21(c)(i); or
 - (iii) “Not Acceptable” – which will be deemed to mean that Hydro’s Representative is of the opinion that the Submittal does not comply with the Contract Documents.

If a Submittal is noted as “Acceptable with Modifications” or “Not Acceptable”, then Hydro’s Representative will provide written justification for such notation;



- (d) if a Submittal is returned to the Contractor with the notation "Acceptable with Modifications" or "Not Acceptable", then, subject to the Contractor's rights under GC.12, the Contractor will promptly revise such Submittal, taking into account the comments provided by Hydro's Representative, and resubmit the revised Submittal to Hydro's Representative for further review;
- (e) any revised Submittal submitted to Hydro's Representative pursuant to GC.4.21(d) will be reviewed by Hydro's Representative in accordance with GC.4.21 within a further period of time equal to the original time Hydro's Representative had for review and comment of the initial Submittal;
- (f) if the Submittal is, in accordance with applicable Law or Good Industry Practice, required to be prepared by or under the supervision of a qualified Professional Engineer or Limited Licensee, then Hydro's Representative may require the Submittal be stamped by a qualified Professional Engineer or Limited Licensee with appropriate skill, qualification and knowledge indicating that the Submittal has been prepared in compliance with Laws, Permits, applicable design standards and Good Industry Practice;
- (g) except as expressly set out otherwise in the Contract Documents, Hydro's Representative's authority to review a Submittal will be for the benefit of BC Hydro, and such authority will not give rise to any duty or responsibility on Hydro's Representative or BC Hydro to the Contractor, Subcontractors, or their agents, employees or other Persons performing any of the Work, to review the Work, and no such review, or authority to perform such review, will relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work and to correct any defects or deficiencies in the Work, all in accordance with the requirements of the Contract Documents; and
- (h) the Contractor will not proceed with the performance of any Work for which a Submittal was made unless and until the Submittal is returned to the Contractor with the notation "Acceptable". If the Contractor proceeds with such Work prior to receiving the "Acceptable" notation and such Work is covered, then Hydro's Representative may direct the Contractor to uncover and make good such Work at the Contractor's sole cost and expense and the provisions of GC.4.20(j) will apply.

4.22 Issued for Construction Drawings

Without limiting the Contractor's obligations under GC.4.21 to permit BC Hydro the opportunity to review all Submittals, the Contractor will perform Work which will form part of the permanent construction in accordance with drawings which have been stamped "Issued for Construction" by the party (the Contractor, or BC Hydro, or third party) that is primarily responsible for such construction drawings and for which the relevant Submittal(s) have been returned to the Contractor with the notation "Acceptable".

The Contractor will not proceed with any such Work for which the Contractor has not received Issued for Construction drawings. If the Contractor proceeds with such Work prior to receiving Issued for Construction drawings and such construction and related Work is covered, then Hydro's Representative may direct the Contractor to uncover and make good such construction and related Work at the Contractor's sole cost and expense and the provisions of GC.4.20(j) will apply.

4.23 Record Drawings and Mark-Ups

During the course of the Work:

- (a) where the Contractor is not the designer of Work, and where the Contractor has received Issued for Construction drawings from BC Hydro or a third party, the Contractor will prepare tidy and legible mark-ups of the Issued for Construction drawings and other construction documents of the execution of the Work showing the actual as-built locations, sizes and details of the Work as performed. If BC Hydro wants to obtain "record" drawings of such Work, then the Contractor will provide such information in the form and in the detail the Professional(s) of Record (as defined by the Association of Professional Engineers and Geoscientists of B.C.) for that part of the Work reasonably requires. Except as expressly set out otherwise in the Contract Documents, the Contractor will update such mark-up drawings no less than monthly, except that, in any event, the Contractor will be responsible to accurately and completely record all as-built details of the Work performed by the Contractor. The Contractor will keep the originals of the up-to-date marked-up Issued for Construction drawings and other construction documents at the Site and available for review upon the request of Hydro's Representative during the performance of the Work. As part of the Work, the Contractor will deliver to Hydro's Representative two copies of a complete set of marked-up Issued for Construction drawings and other construction documents current as of the date of Substantial Completion. Failure to provide such mark-ups with the application for Substantial Completion will be deemed a deficiency; and
- (b) where the Contractor is the designer of Work which will form part of the permanent construction, the Contractor will prepare a complete set of "record" drawings of the execution of that part of the Work showing the actual as-built locations, sizes and details of the Work as performed, bearing the seal(s) of the Professional(s) of Record (as defined by the Association of Professional Engineers and Geoscientists of B.C.) for that part of the Work. These record drawings will not be mark-ups of the Issued for Construction drawings or other construction documents, but will be complete revisions of such drawings or documents. Except as expressly set out otherwise in the Contract Documents, the Contractor will update such record drawings, with complete revisions and no mark-ups, no less than monthly, except that, in any event, the Contractor will be responsible to accurately and completely record all as-built details of the Work performed by the Contractor. The Contractor will keep an up-to-date copy of the record drawings at the Site and available for review upon the request of Hydro's Representative during the performance of the Work. As part of the Work, the Contractor will deliver to Hydro's Representative two copies of a complete set of record drawings current as of the date of Substantial Completion. Failure to provide such sealed record drawings with the application for Substantial Completion will be deemed a deficiency.

4.24 Tidy Site

The Contractor will maintain the Work in a tidy condition, free from the accumulation of waste products and debris generated by the performance of the Work.



4.25 Electronic Data Site

If:

- (a) BC Hydro establishes an electronic data site to contain information relating to the Work, and
- (b) BC Hydro gives notice to the Contractor of such electronic data site and provides the Contractor with access to such electronic data site,

then the Contractor will be deemed to have received all such electronic information when posted, and, as part of the Work, during the performance of the Work, the Contractor will monitor the electronic data site.

GC.5 CONTRACT PRICE AND PAYMENT

5.1 Breakdown of Contract Price

The Contractor will submit to Hydro's Representative, at least 14 days before the first application for payment, a schedule of values of the various parts of the Work based on the attached Appendix E – Schedule of Quantities and Prices, aggregating the total amount of the Contract Price and reasonably dividing it so as to facilitate evaluation of applications for payment during the performance of the Work. The schedule of values will be prepared in such form and supported by such evidence as to its correctness as Hydro's Representative may reasonably direct, and, when approved by Hydro's Representative, will be used as the basis for all applications from the Contractor for payment.

5.2 Direct Deposit Application Form

The Contractor will submit to Hydro's Representative, concurrently with the delivery of the Agreement, a completed Direct Deposit Application Form in the form provided by Hydro's Representative (the "**Deposit Application**"). The following will apply to the information contained on the Deposit Application:

- (a) BC Hydro will be entitled to rely on such information without further enquiry or investigation;
- (b) BC Hydro reserves the right (but not the obligation), in its sole discretion, to require the Contractor's Representative to provide evidence as to the accuracy of such information; and
- (c) the Contractor will, at no cost to BC Hydro, promptly provide such evidence to Hydro's Representative.

If, at any time, the Contractor requires to change any information contained on its completed Deposit Application, the Contractor's Representative must submit to Hydro's Representative a revised Deposit Application.



5.3 Application for Payment

The Contractor will make application for payment as follows:

- (a) upon achieving a payment milestone if the Contract Documents define a milestone payment regime, or otherwise within ten days before the end of a month, the Contractor's Representative will submit to Hydro's Representative a payment estimate (the "**Progress Payment Estimate**") in the form provided by Hydro's Representative with:
 - (i) all supporting documents as expressly required by the Contract Documents;
 - (ii) a copy of the updated Work Program and Schedule prepared in accordance with GC.4.12(b);
 - (iii) copies of all Vendor reporting forms required by Appendix K – Aboriginal Engagement and Aboriginal Participation, if any; and
 - (iv) other documents required by Hydro's Representative, acting reasonably.
- (b) within seven days after receipt of such material, Hydro's Representative will, in consultation with the Contractor's Representative, review the Progress Payment Estimate and either:
 - (i) if Hydro's Representative agrees with the amount claimed by the Contractor on a Progress Payment Estimate, then Hydro's Representative will return the Progress Payment Estimate to the Contractor's Representative with a written notice confirming such agreement; or
 - (ii) if Hydro's Representative disagrees with any amount claimed by the Contractor on a Progress Payment Estimate, then Hydro's Representative will return the Progress Payment Estimate to the Contractor's Representative with a written notice setting out:
 - (A) the amount, if any, Hydro's Representative agrees is payable; and
 - (B) the reasons for the disagreement and, if available, the amount disputed; and
- (c) within ten days after receipt of the Progress Payment Estimate under GC.5.3(b)(i) or GC.5.3(b)(ii), as the case may be, the Contractor's Representative will submit to BC Hydro an original invoice in the amount that Hydro's Representative has indicated under GC.5.3(b) is payable dated the date the Progress Payment Estimate was returned by Hydro's Representative under GC.5.3(b).
- (d) the original invoice will be submitted to BC Hydro's third party invoice processing provider, currently the SAP Ariba Network ("**Ariba**"). The Contractor will use Ariba to transact all orders and invoicing under the Contract. Contractor may contact the BC Hydro Accounts Payable team at AccountsPayable@bchydro.com or at 604-663-3572 for setup assistance, invoicing or payment inquiries. BC Hydro will pay any

transaction fees that Ariba charges for the transaction of orders or invoicing under the Contract.

5.4 Materials on Site

Unless otherwise specifically agreed in writing by Hydro's Representative, the Contractor will not be entitled to apply for payment for material delivered to the Site but not yet incorporated into the Work.

5.5 Application for Payment Not a Waiver

The Contractor's application for payment under GC.5.3 will be without prejudice to the Contractor's rights to dispute under GC.12.

5.6 Payment

Payment will be made to the Contractor as follows:

- (a) BC Hydro will pay the Contractor the amount of each invoice prepared and submitted in accordance with GC.5.3(c), less any holdbacks, 30 days after receipt of the invoice; and
- (b) all amounts due and owing as determined in accordance with GC.5.6(a) will be paid:
 - (i) if the Contract Price is in Canadian dollars and the Contractor has designated an account at a Canadian financial institution in its then current Deposit Application, by direct deposit using an Electronic Funds Transfer to that account; or
 - (ii) in any other case, either by wire transfer to the account the Contractor has designated in its then current Deposit Application or by cheque or bank draft, in BC Hydro's sole discretion.

Any fees charged by the receiving or any intermediary institution(s) related to accepting or processing an Electronic Funds Transfer or a wire transfer will be the responsibility of the Contractor.

5.7 Payment Not a Waiver

No payment made to the Contractor by BC Hydro will at any time constitute approval or acceptance of any Work under the Contract, nor be considered a waiver by BC Hydro of any of the terms of the Contract, nor relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work in accordance with the requirements of the Contract Documents.

5.8 Performance Security Holdback

BC Hydro will retain [REDACTED] Contractor (the "**Performance Security Holdback**") as security for the performance of the Work in accordance with the Contract Documents. BC Hydro may, from time to time, draw upon (in whole or in part) the Performance Security Holdback to pay for the correction of any defaults pursuant to GC.9.1(f) and GC.9.1(g).

5.9 Performance Security Holdback Release

Subject to BC Hydro's right to retain any amounts due to the Contractor, BC Hydro will pay to the Contractor the amount remaining, if any, of the Performance Security Holdback upon Substantial Completion.


5.10 Right of Set-off

BC Hydro may set-off, as against any amounts due to the Contractor, any amount owing from the Contractor to BC Hydro, including liquidated damages and other amounts as payable under the Contract Documents.

5.11 Application for Substantial Completion

When the Contractor judges that the Work is sufficiently complete, the Contractor may apply to Hydro's Representative for a certificate of Substantial Completion. The application will be in writing and will include the following:

- (a) a comprehensive list of all items of Work to be completed or corrected, including an estimated cost to complete or correct each item, and a schedule for completion and correction of all such items through to Total Completion, prepared in consultation with Hydro's Representative;
- (b) all manufacturer's inspections, certifications, guarantees and warranties specified in the Contract Documents or otherwise applicable to the Work;
- (c) evidence that all required Permits, except for Project Related Permits, and approvals from testing or inspection agencies, if any, have been obtained;
- (d) evidence from the Workers' Compensation Board of British Columbia that the Contractor is in good standing;
- (e) a statement as to the status of amounts owing to first tier Subcontractors and as to any unresolved claims made by Subcontractors against the Contractor or another Subcontractor; and
- (f) all safety documentation, reports and statistics with respect to the Work as specified in the Contract Documents including under Appendix H – Safety Requirements, or evidence that such materials have previously been submitted.




Hydro's Representative will, no later than 14 days after the receipt of an application under GC.5.11, inspect the Work to verify the validity and accuracy of the application. Hydro's Representative will, no later than a further seven days after the inspection, notify the Contractor in writing of approval, or the reasons for refusal, of the application. If the application is refused, then the Contractor will continue with the performance of the Work and address the reasons for refusal and may re-apply for a certificate of Substantial Completion pursuant to GC.5.11. The provisions of this GC.5.12 will apply to any such subsequent application.

When Hydro's Representative, acting reasonably, determines that the requirements for Substantial Completion have been achieved (other than the issuance of the certificate of Substantial Completion), Hydro's Representative will issue a certificate of Substantial Completion that includes the date of Substantial Completion. Concurrently with the issuance of such certificate, Hydro's Representative will prepare a written list of items of the Work to be completed or corrected that were apparent to Hydro's Representative in the inspection of the Work. The issuance of such list will not relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work, complete the performance of the Work and correct all defects and deficiencies in the Work, all in accordance with the requirements of the Contract Documents.

5.13 Deficiencies Holdback

BC Hydro may retain, out of the amount due and owing to the Contractor upon Substantial Completion, an amount equal to two times the value of the estimated cost to complete or correct the items set out in the list provided pursuant to GC.5.11(a). If the total amount due and owing to the Contractor upon Substantial Completion is less than two times the value of the estimated cost to complete or correct the items set out in the list provided pursuant to GC.5.11(a), then such difference will be immediately due and owing by the Contractor to BC Hydro upon receipt of an invoice from BC Hydro for such difference.



5.14 Application for Total Completion

When the Contractor judges that all deficiencies in the Work have been corrected and that the Work is fully complete, the Contractor may apply to Hydro's Representative for a certificate of Total Completion. The application will be in writing and will include the following:

- (a) evidence that all deficiencies have been corrected and approved by Hydro's Representative;
- (b) evidence from the Workers' Compensation Board of British Columbia that the Contractor is in good standing; and
- (c) a statement as to the status of amounts owing to first tier Subcontractors and as to any unresolved claims made by Subcontractors against the Contractor or another Subcontractor.

5.15 Total Completion

Hydro's Representative will, as soon as practicable after receipt of an application under GC.5.14, inspect the Work to verify the validity of the application and, when all Work is complete in accordance with the requirements of the Contract Documents ("**Total Completion**"), issue the certificate of Total Completion.

5.16 Limitation of Certificates

Neither Hydro's Representative nor BC Hydro, by issuing any certificate, including a certificate of Substantial Completion or Total Completion, guarantees, or otherwise becomes liable or responsible in any way for, the completeness or correctness of the Work, and no certificate will make Hydro's Representative or BC Hydro in any way responsible or liable for the performance of the Work.

5.17 Waiver of Claims

As of the dates of the Contractor's application for Substantial Completion and Total Completion, the Contractor expressly waives and releases the Indemnified Parties from any and all Claims which, as of the date of the applicable application, the Contractor has or reasonably ought to have known the Contractor has against the Indemnified Parties, or any one of them, with respect to the Work or with respect to the Contract, including those arising from the negligence of or breach of the Contract by an Indemnified Party, or any other representative of BC Hydro, except for Claims set out in writing and delivered to Hydro's Representative prior to the delivery by the Contractor of the applicable application and still unsettled.

5.18 Provisional Sums

If BC Hydro has included a provisional sum on Appendix E – Schedule of Quantities and Prices, then BC Hydro will pay any such sum or portion of such sum pursuant to a Change Order agreed by BC Hydro and the Contractor under GC.6.1



GC.6 CHANGES

6.1 Changes

BC Hydro may, without invalidating the Contract, make changes to the Work by altering, adding to, or deducting from the Work (a “**Change**”), with adjustments, if any, to the Contract Price or the time for the performance of the Work or both as set out in GC.6. When the adjustments, if any, to the Contract Price or the time for the performance of the Work or both are agreed by BC Hydro and the Contractor, Hydro’s Representative will issue a written approval (a “**Change Order**”) setting out:

- (a) a description of the Work covered by the Change;
- (b) the price or method of valuation for such Work;
- (c) the total adjustment, if any, to the Contract Price (excluding only GST) on account of the Change and, for certainty, will be deemed to include all claims for compensation on account of all related costs, including all direct, indirect or “impact”, overhead, and all other costs, and all markups and profits, even if the Change Order does not specifically mention such items; and
- (d) the net effect on the time for the performance of the Work on account of the Change and, for certainty, will be deemed to include all effects on the time for the performance of the Work, and if there is no mention in the Change Order of a required adjustment to the time for the performance of the Work, then the Change Order will be interpreted to mean that the Contractor will complete the Work covered by the Change Order without any adjustment to the time for the performance of the Work.

Hydro’s Representative and the Contractor’s Representative will sign the Change Order to confirm agreement and, upon receipt of a signed Change Order, the Contractor will proceed with the Change without delay.

6.2 Change Directive

If BC Hydro determines that the Contractor is to proceed with a Change prior to the issuance of a Change Order, then Hydro’s Representative may, without invalidating the Contract, sign and issue a written order (a “**Change Directive**”) instructing the Contractor to proceed with a defined Change. Notwithstanding that the parties have not reached agreement on any adjustment to the Contract Price or the time for the performance of the Work or both, upon receipt of a Change Directive, the Contractor will proceed with the Change without delay, without prejudice to the Contractor’s right to claim such adjustments. Any disputes relating to such adjustments will be resolved in accordance with GC.12, having regard to the provisions of GC.6.

6.3 Contemplated Change

Hydro’s Representative may, at any time, give the Contractor’s Representative a written request to provide price and schedule information (collectively, a “**Quotation**”) relating to a potential Change being considered by BC Hydro (a “**Contemplated Change**”), and the following will apply:



- (a) Quotation: Within seven days of a written request for a Quotation (or such longer time as is reasonable in the circumstances), the Contractor will, as part of the Work, prepare and deliver a written Quotation for a Contemplated Change to Hydro's Representative;
- (b) Quotation to Cover all Costs and Time: Any Quotation submitted by the Contractor's Representative for a Contemplated Change will, except as expressly set out otherwise in the Quotation, be interpreted to represent the proposed total adjustment to the Contract Price (excluding only GST) and the net effect on the time for the performance of the Work on account of such Contemplated Change, and, for certainty, will be deemed to include:
- (i) all claims for compensation on account of all related costs, including all direct, indirect or "impact", overhead, and all other costs, and all markups and profits, even if the Quotation does not specifically mention such items; and
 - (ii) all effects on the time for the performance of the Work, and if there is no mention in the Quotation of a required adjustment to the time for the performance of the Work, then the Quotation will be interpreted to mean that the Contractor will complete the Work covered by the Quotation without any adjustment to the time for the performance of the Work.

If Hydro's Representative accepts the Quotation in response to a Contemplated Change, or the parties otherwise agree to proceed with the Contemplated Change on terms different from those in the Quotation, then the Quotation or such other agreed to terms will be recorded in a Change Order, signed by the parties and issued pursuant to GC.6.1;

- (c) Third Party Costs to Prepare Quotation: If the Contractor requires third party consultants or contractors to prepare a Quotation, and if the Contractor wishes to be reimbursed for the costs of such third parties pursuant to GC.6.3(d), then the Contractor will only be entitled to make a claim for such costs if the Contractor obtains Hydro's Representative's prior written approval to retain such third parties;
- (d) Contractor's Costs to Prepare Quotation: If, following receipt of a Quotation:
- (i) BC Hydro elects to proceed with the Contemplated Change, then all costs incurred by the Contractor to prepare the Quotation will be paid by the Contractor, and the Change Order issued with respect to the Contemplated Change will be deemed to be the entire compensation payable by BC Hydro for such Change; or
 - (ii) BC Hydro, for any reason, elects not to proceed with a Contemplated Change, then:
 - (A) if the Contractor retained third parties pursuant to GC.6.3(c), then BC Hydro will pay the Contractor for the reasonable and substantiated direct costs paid to all such third parties who were approved in advance by Hydro's Representative; and
 - (B) the Contractor will bear all other costs incurred by the Contractor to prepare the Quotation.

6.4 Claim for a Change

The following applies where the Contractor wishes to claim that a Change has occurred:

- (a) if the Contractor receives a direction, instruction or decision from Hydro's Representative for which a Change Order or Change Directive was not given, then the Contractor may only claim an adjustment to the Contract Price or the time for the performance of the Work or both as follows:
 - (i) prior to proceeding with such direction, instruction or decision, the Contractor will give written notice to Hydro's Representative of its intention to make such a claim with sufficient detail to permit Hydro's Representative to be able to understand the basis for the claim as well as the anticipated impact on the Contract Price, if any, and the time for the performance of the Work, if any; and
 - (ii) the Contractor will maintain daily records of the resources used in connection with the claimed Change, including labour, equipment and materials, prepared contemporaneously with the performance of the affected Work, and submit such records, together with the amount claimed for such Work, to Hydro's Representative on a rolling two business day basis;
- (b) upon receipt of a notice under GC.6.4(a)(i) from the Contractor, Hydro's Representative will promptly investigate the conditions giving rise to the claimed Change;
- (c) in no event will the Contractor be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or the time for the performance of the Work on account of any circumstance, condition or event that entitles the Contractor to make a claim under GC.6.4:
 - (i) that occurs more than seven days prior to the notice delivered by the Contractor to Hydro's Representative as provided by GC.6.4(a)(i); or
 - (ii) notwithstanding GC.6.4(c)(i), to the extent BC Hydro is materially prejudiced by any delay in the Contractor complying with its obligations under GC.6.4(a)(i); and
- (d) in no event will the Contractor be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price on account of any circumstance, condition or event that entitles the Contractor to make a claim under GC.6.4 for which the Contractor has not kept, nor made available to Hydro's Representative, the records as required under GC.6.4(a)(ii).

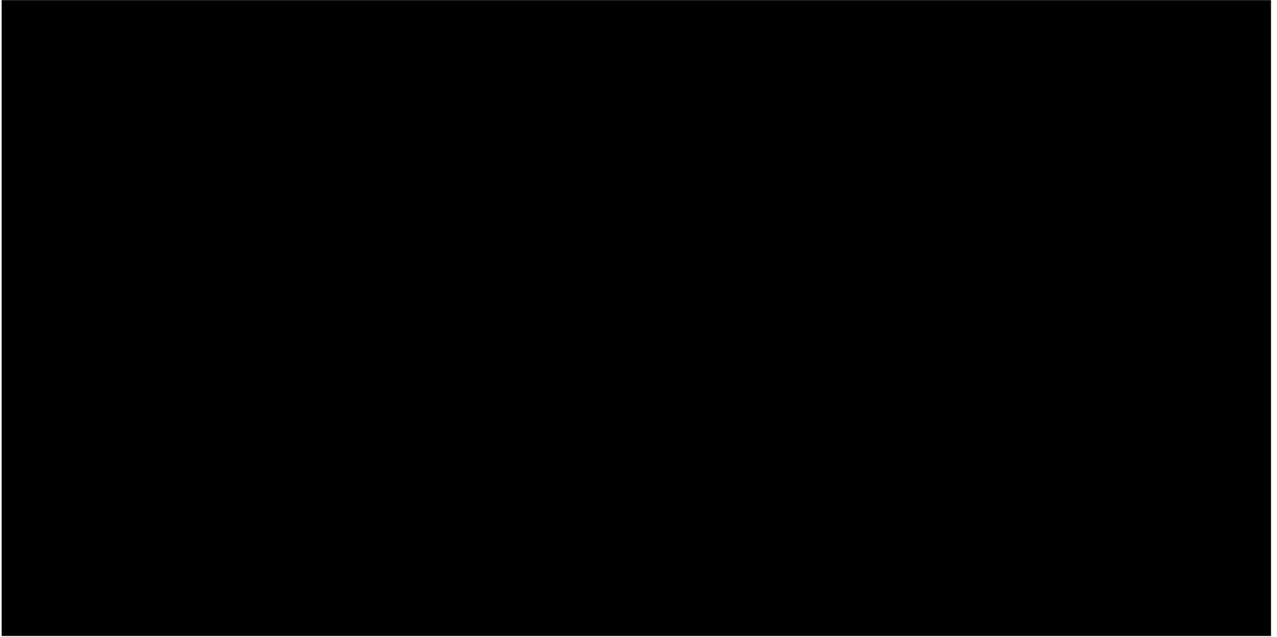
If Hydro's Representative refuses the Contractor's request for a Change Order or Change Directive, then the Contractor may dispute such refusal under GC.12.

6.5 Valuation of a Change

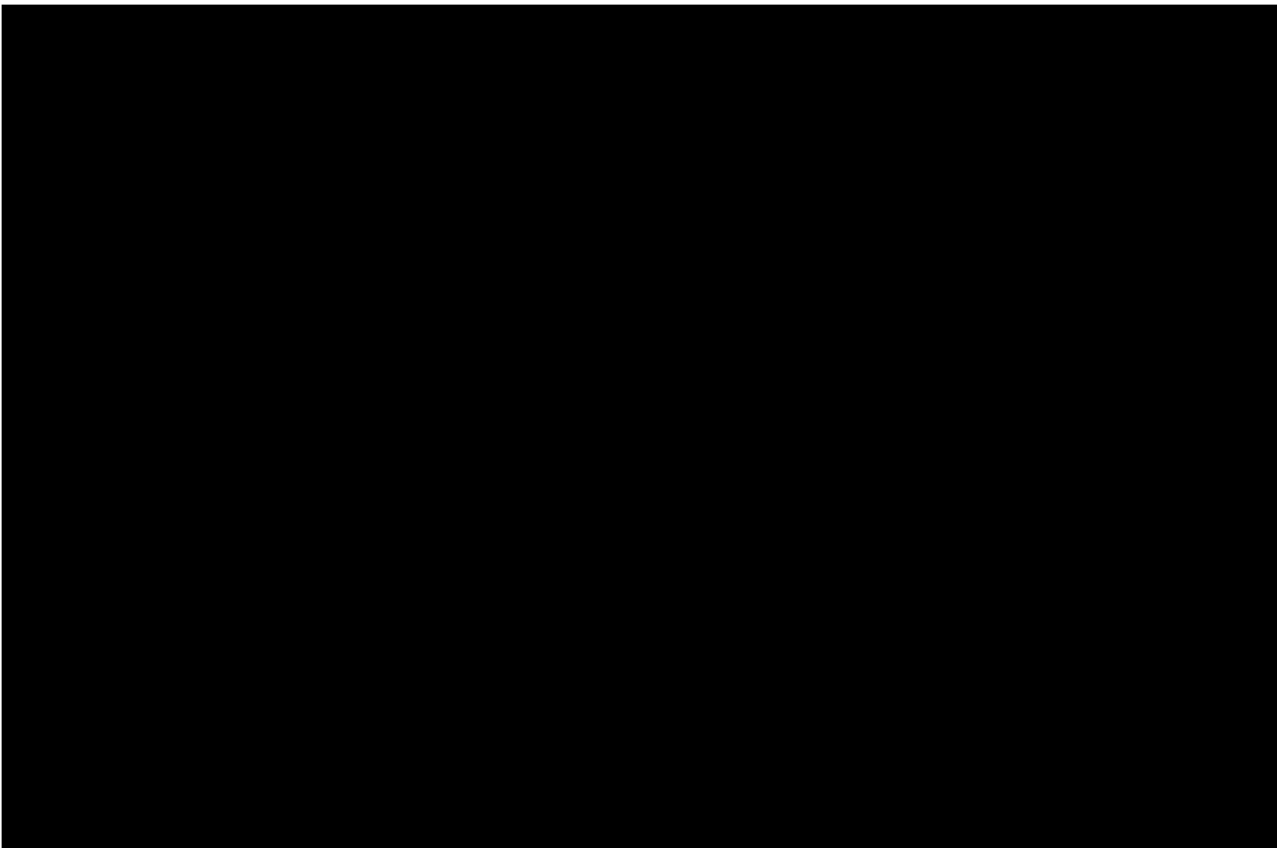
The adjustment to the Contract Price on account of any Change will be determined by one or more of the following methods, the choice of which will be determined by Hydro's Representative:

- (a) as set out in a Quotation and accepted by Hydro's Representative pursuant to GC.6.3;

- (b) by a lump sum as agreed by the parties;
- (c) subject to GC.6.6, by applicable unit prices; or
- (d) to the extent not agreed by the parties, by cost plus, being the Contractor's reasonable and substantiated direct costs arising from the performance of the Change plus markups, only as follows:



- (ii) with respect to materials, the total of:



If the parties agree to a revised unit price, then the revised unit price will be recorded in a Change Order, signed by the parties and issued pursuant to GC.6.1.

6.7 Net Valuation of Cost of a Change

In determining any adjustment to the Contract Price resulting from a Change, such adjustment will be determined on the basis of the Contractor's reasonable and substantiated direct costs and savings attributable to the Change. If the Change results in a net increase in the Contractor's reasonable and substantiated direct costs, then the Contract Price will be increased by an amount equal to the net increase in such costs. If the Change results in a net decrease in the Contractor's reasonable and substantiated direct costs, then the Contract Price will be decreased by an amount equal to the net decrease in such costs. For certainty, a Change Order issued pursuant to GC.6.1 will be deemed to be a net adjustment as required by this GC.6.7.

6.8 Adjustments to Time for the Performance of Work

Subject always to the Contractor's duties under GC.25.2, the time for the performance of the Work will be adjusted on account of a Change by the net amount of time reasonably required by the Contractor to accommodate and perform the Change, taking account of any impacts that require more time, and any impacts, including deletions of Work, that result in time savings, as follows:

- (a) as set out in a Quotation and accepted by Hydro's Representative pursuant to GC.6.3;
- (b) as otherwise agreed in writing by the parties; or
- (c) in the absence of an agreement, in accordance with GC.12.

6.9 No Change Without Written Order

Subject to GC.6.4 and except as expressly set out otherwise in the Contract Documents, the Contractor will not proceed with any Change prior to the receipt of a written Change Order or Change Directive. No claim for an adjustment to the Contract Price or the time for the performance of the Work may be made without such written order. The Contractor will not be entitled to, nor will the Contractor rely on any oral representation (except in an emergency), Site meeting discussion or minutes, or other communication as approval for a Change.

6.10 Emergency

Notwithstanding any other provision in the Contract, Hydro's Representative may, in the event of an emergency, issue oral orders to the Contractor for any Change required by reason of an emergency. The Contractor will proceed with such Change without delay, without prejudice to the Contractor's right to claim an adjustment to the Contract Price or the time for the performance of the Work or both. Hydro's Representative will confirm such orders in the form of a Change Order or Change Directive as soon as practicable.



6.11 Optional Work

Optional Work may be included in the Work at the sole election of BC Hydro. Optional Work will only be included in the Work if Hydro's Representative so directs in writing delivered to the Contractor's Representative, and in such event:

- (a) Hydro's Representative will issue a Change Order for the Optional Work; and
- (b) the Contractor will perform the Optional Work as part of the Work.

GC.7 DELAYS AND ACCELERATION

7.1 Delay by BC Hydro

If the Contractor is delayed in the performance of the Work by an act or omission of Hydro's Representative, BC Hydro, or a Person for whom BC Hydro is in law responsible (other than the Contractor and those engaged by or through the Contractor, including Subcontractors), contrary to the provisions of the Contract Documents, then, on written notice as required by GC.7.6 and subject to the Contractor's duties to mitigate under GC.25.2, the Contractor will be entitled to:

- (a) an extension of the time for the performance of the Work equal to the impact of such delay; and
- (b) reimbursement from BC Hydro for directly related out of pocket additional costs reasonably and necessarily incurred by the Contractor as a result of such delay. No payment will be owed by BC Hydro to the Contractor for Consequential Damages.

7.2 Delay by Contractor

If the Contractor is delayed in the performance of the Work by its own acts or omissions, or by a Person for whom the Contractor is in law responsible, then the Contractor will not be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or the time for the performance of the Work, in either case, on account of such delay.

7.3 Labour Disputes

Any work stoppage, strike, lock-out, picket or other labour dispute by any personnel engaged by BC Hydro or any Other Contractor will be deemed to be a delay under GC.7.1. Any work stoppage, strike, lock-out, picket or other labour dispute by any personnel engaged by the Contractor or any Subcontractor, including any financial and jurisdictional disputes involving unionized and non-unionized workers, will be deemed to be a delay under GC.7.2.

7.4 Force Majeure

If either the Contractor or BC Hydro is delayed in the performance of any of their obligations under the Contract as a result of an event of Force Majeure, then the party claiming the delay will be excused from performance of such obligations, provided that party gives written notice in accordance with GC.7.6, and mitigates the effect of the delay in accordance with GC.25.2, as applicable. The party delayed by an event of Force Majeure will be entitled to an extension of the time for the performance of the affected obligations equal to the impact of the delay caused by the event of Force Majeure, but will not be entitled to, nor will such party make an

reimbursement or the payment of any costs suffered by that party as a result of the event of Force Majeure.

7.5 Concurrent Delay

With respect to concurrent delays:

- (a) if two or more events occur concurrently that each entitle the Contractor to an extension of the time for the performance of the Work under the Contract Documents, then for the period of any concurrency the Contractor will be entitled to claim an extension with respect to only one of the concurrent events;
- (b) if an event as described in GC.7.1 occurs concurrently with an event as described in GC.7.4, then during the period of any concurrency the Contractor will be entitled to claim an extension with respect only to the event described in GC.7.4;
- (c) if an event as described in GC.7.1 occurs concurrently with an event as described in GC.7.2, then during the period of any concurrency the Contractor will not be entitled to claim, nor will the Contractor make any claim for, an extension with respect to the event described in GC.7.1; and
- (d) if an event as described in GC.7.4 occurs concurrently with an event as described in GC.7.2, then during the period of any concurrency the Contractor will not be entitled to claim, nor will the Contractor make any claim for, an extension with respect to the event described in GC.7.4.

7.6 Notice of Delay

With respect to any event of delay:

- (a) regardless of the cause of a delay, the party claiming delay will give written notice of the delay to the other party's Representative with sufficient detail to permit the other party's Representative to be able to understand the basis for the claim as well as the anticipated impact on the Contract Price, if any, and the time for the performance of the Work, if any. Such notice will be given promptly after the party claiming delay is aware of an impact on the Contract Price or the time for the performance of the Work, or, in any event, promptly after the time when the party claiming delay should reasonably have become aware of the impact on the Contract Price or the time for the performance of the Work, provided, however, that in the case of a continuing cause of delay only one written notice of delay will be necessary;
- (b) if the Contractor gives notice of delay in accordance with GC.7.6(a), then, as part of the Work, the Contractor will keep and provide to Hydro's Representative records in the same detail and manner as described in GC.6.4(a)(ii);
- (c) upon receipt of a notice of delay from the Contractor, Hydro's Representative will promptly investigate the conditions giving rise to the claimed delay in order to satisfy himself as to the validity of the claimed delay;



- (d) in no event will the Contractor be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price or the time for the performance of the Work on account of any delay or portion of a delay:
- (i) that occurs more than seven days prior to the notice delivered by the Contractor to Hydro's Representative as provided by GC.7.6(a); or
 - (ii) notwithstanding GC.7.6(d)(i), to the extent BC Hydro is materially prejudiced by any delay in the Contractor complying with its obligations under GC.7.6(a); and
- (e) in no event will the Contractor be entitled to, nor will the Contractor make any claim for, an adjustment to the Contract Price on account of any delay costs for any delay or portion of a delay for which the Contractor has not kept, nor made available to Hydro's Representative, the records as required under GC.7.6(b).

7.7 Acceleration to Recover Contractor Delays

If, at any time, Hydro's Representative, acting reasonably, determines that the then current Work Program and Schedule is not being met due to an act, error or omission of the Contractor or any Subcontractor, then Hydro's Representative may deliver written notice to the Contractor directing the Contractor to accelerate the performance of the Work, at the Contractor's sole cost and expense, so as to bring the Work back into conformity with the then current Work Program and Schedule.

7.8 Acceleration for BC Hydro's Convenience

Hydro's Representative may, at any time, deliver written notice to the Contractor to accelerate the performance of the Work at BC Hydro's convenience and any such acceleration will be a Change under GC.6.

GC.8 BONDING

8.1 Performance and Payment Security

Within ten days of the Effective Date, or by such later date as Hydro's Representative may agree to in writing, and in addition to, and not in substitution for, the Performance Security Holdback, the Contractor will provide to BC Hydro a performance bond and a labour and material payment bond, [REDACTED] in the form and on the terms provided by BC Hydro. If approved by BC Hydro, in its sole discretion, including with respect to any conditions of such approval, then the Contractor may provide to BC Hydro a letter of credit in the form and on the terms provided by BC Hydro and in an amount satisfactory to Hydro's Representative in substitution for the performance bond or the labour and material payment bond or both.



GC.9 CONTRACTOR DEFAULT**9.1 Failure to Perform**

If:

- (a) the Contractor should fail or neglect to undertake the performance of the Work properly and expeditiously; or
- (b) the Contractor should otherwise fail to comply with the requirements of the Contract to a substantial degree;

then Hydro's Representative may provide the Contractor with written notice stating the nature of the Contractor's default and instructing the Contractor to correct the default within seven days after receipt of such notice. If the Contractor cannot correct the default in such seven days, then the Contractor will be in compliance with Hydro's Representative's instructions if the Contractor:

- (c) takes all reasonable steps to begin to correct the default within such seven days;
- (d) provides Hydro's Representative with a schedule reasonably acceptable to Hydro's Representative for such correction; and
- (e) completes the correction in accordance with such schedule.

If the Contractor fails to correct the default in the time specified or subsequently agreed in writing, or, if, for any reason, the default cannot be corrected, then BC Hydro may, without prejudice to any of its other rights or remedies:

- (f) correct such default to the extent BC Hydro is able to correct the default and set-off from any payment then or thereafter due to the Contractor all additional costs reasonably incurred by BC Hydro to correct the default, including the cost of other contractors and BC Hydro's own forces;
- (g) deduct any portion of the outstanding Work from the Contract as BC Hydro may, in its sole discretion, decide and proportionately adjust the relevant portion of the Contract Price on account of such deduction and set-off from any payment then or thereafter due to the Contractor all additional costs reasonably incurred by BC Hydro to complete the Work, including increased costs of construction, the costs of other contractors, any administrative costs, the cost of BC Hydro's own forces and resources and the cost to BC Hydro of Hydro's Representative; or
- (h) terminate the Contract.

If the aggregate liability of the Contractor to BC Hydro exceeds the maximum aggregate liability as set out in GC.18.1, and no new agreement is reached between the parties regarding increasing the Contractor's maximum aggregate liability within seven days of the maximum aggregate liability being reached, then BC Hydro may, without prejudice to any of its other rights or remedies, terminate the Contract.



9.2 Bankruptcy

BC Hydro may, without prejudice to any of its other rights or remedies, terminate the Contract by giving written notice to the Contractor or any other applicable Person, if:

- (a) the Contractor makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal for relief under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction, or becomes involved in any other type of insolvency proceedings being commenced by or against the Contractor under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (b) a receiver, receiver manager or other encumbrance holder takes possession of or is appointed over, or any distress, execution or other process is levied or enforced upon, the whole or any material part of the assets of the Contractor;
- (c) any arrangement or composition with or for the benefit of creditors is entered into by or in relation to the Contractor;
- (d) any proceedings with respect to the Contractor is commenced under the *Companies' Creditors Arrangement Act* (Canada);
- (e) the Contractor ceases to carry on business; or
- (f) a petition is filed (and not being contested in good faith, using all commercially reasonable efforts), or a resolution is passed or an order is made for the winding up, liquidation or dissolution of the Contractor.

9.3 Termination for Cause

If BC Hydro terminates the Contract under GC.9.1 or GC.9.2, then: BC Hydro will, while making all commercially reasonable efforts to mitigate costs and delays:

- (a) be entitled to take possession of the equipment and materials, including any BC Hydro Property, located at the Site or elsewhere and intended for incorporation into or use in the performance of the Work, and any equipment and materials for which payment has been made or is anticipated to be made by BC Hydro to the Contractor, and to utilize such equipment and materials, subject to the rights of third parties, and complete the performance of the Work by whatever method BC Hydro may consider expedient;
- (b) be entitled to withhold any payments owing to the Contractor;
- (c) upon Total Completion, be entitled to retain from any amounts withheld from the Contractor:
 - (i) the total of any additional costs (the "**Default Costs**") in excess of the Contract Price BC Hydro incurred because of the Contractor's default to achieve Total Completion, including the costs of Other Contractors, any administrative costs, the cost of BC Hydro's own forces and resources and the cost to BC Hydro of Hydro's Representative; plus



- (ii) the costs incurred with respect to corrections to any Work completed by the Contractor prior to the termination during the Warranty Period, if the Contractor refuses to carry out corrections to such Work as required under GC.19.6; plus
- (iii) a reasonable allowance to cover the cost to BC Hydro of undertaking such completion,

and pay the balance of any amounts withheld from the Contractor, if any, to the Contractor. If the total of the amounts described in GC.9.3(c)(i), GC.9.3(c)(ii) and GC.9.3(c)(iii) exceeds the total of the payments BC Hydro has withheld, then such excess will be immediately due and owing by the Contractor to BC Hydro upon receipt of an invoice from BC Hydro for such excess; and

- (d) on expiry of the Warranty Period retain, from any holdback, the costs described in GC.9.3(c)(ii) and pay the balance, if any, to the Contractor. If the total of the costs of such corrections exceeds the holdback, then such excess will be immediately due and owing by the Contractor to BC Hydro upon receipt of an invoice from BC Hydro for such excess.

If the Contract is terminated for any reason, including pursuant to GC.11.1, the Contractor's obligations described in the Contract Documents as to quality, correction and warranty will continue in full force and effect after such termination with respect to the Work performed by the Contractor up to the time of termination.

GC.10 BC HYDRO DEFAULT

10.1 Failure to Perform

If BC Hydro fails to:

- (a) pay the Contractor payments when due in accordance with the provisions of the Contract;
- (b) provide the Contractor with adequate directions or instructions so as to prevent the Contractor from performing any of the Work in accordance with the Contract; or
- (c) resume the Contract, in whole or in part, within one year of the effective date of the suspension of the Contract under GC.11.1,

then the Contractor may provide Hydro's Representative with written notice stating the nature of BC Hydro's default and instructing BC Hydro to correct the default within 30 days after receipt of such notice. If BC Hydro cannot correct the default in such 30 days, then BC Hydro will be in compliance with the Contractor's instructions if BC Hydro:

- (d) takes all reasonable steps to begin to correct the default within such 30 days;
- (e) provides the Contractor with a schedule acceptable to the Contractor, acting reasonably, for such correction; and
- (f) completes the correction in accordance with such schedule.



If BC Hydro fails to correct the default in the time specified or subsequently agreed in writing, then the Contractor may, without prejudice to any of its other rights or remedies, terminate the Contract.

10.2 Termination for Cause

If the Contractor terminates the Contract under GC.10.1, then BC Hydro will, in full satisfaction of all claims the Contractor may have, pay the Contractor:

- (a) all compensation owed in accordance with the Contract for all Work completed in accordance with the Contract Documents up to the date of the termination;
- (b) all third party cancellation charges, if any, incurred by the Contractor to the date of termination, provided such charges could not have been reasonably avoided or mitigated by the Contractor; and
- (c) the Contractor's reasonable and substantiated direct Site demobilization costs.

For greater certainty, the Contractor will not be entitled to, nor will the Contractor make a claim for, Consequential Damages.

GC.11 SUSPENSION OR TERMINATION OF CONTRACT OTHER THAN FOR DEFAULT

11.1 Suspension or Termination for Convenience

BC Hydro may, by written notice to the Contractor's Representative, at any time at BC Hydro's convenience and in its sole discretion, suspend or terminate the Contract, in whole or in part, stating the extent and effective date of such suspension or termination, and, upon receipt of such written notice, the Contractor will:

- (a) wind down all suspended or terminated Work in a manner such that BC Hydro receives the benefit of all completed Work;
- (b) with respect to the terminated portions of the Work, if any, on the written direction of Hydro's Representative:
 - (i) assign to BC Hydro, in the manner and to the extent directed, all of the Contractor's rights under purchase orders and agreements with any first tier Subcontractors as identified by BC Hydro; and
 - (ii) terminate purchase orders and agreements with first tier Subcontractors, to the extent that they are not assigned to BC Hydro;
- (c) take any necessary action, including re-possession, to protect property in the Contractor's possession in which BC Hydro has or may acquire an interest, including any BC Hydro Property;
- (d) continue and complete performance of the continuing portion of the Work, if any, in accordance with the Contract Documents;
- (e) provide suggestions to BC Hydro as to the best methods of mitigating any Claims, costs or delays arising from the termination of portions of the Work;

- (f) provide all records and documents, as required by the Contract, to BC Hydro relating to the terminated portion of the Work; and
- (g) take any other action in relation to the termination of the Work which BC Hydro may reasonably direct.

11.2 Rights upon Termination for Convenience

In the event of termination under GC.11.1, BC Hydro will, in full satisfaction of all claims the Contractor may have, pay the Contractor:

- (a) all compensation owed in accordance with the Contract for all Work performed in accordance with the Contract Documents up to the date of the termination;
- (b) all third party cancellation charges, if any, incurred by the Contractor to the date of termination, provided such charges could not have been reasonably avoided or mitigated by the Contractor; and
- (c) the Contractor's reasonable and substantiated direct Site demobilization costs.

For greater certainty, the Contractor will not be entitled to, nor will the Contractor make any claim for, Consequential Damages.

11.3 Obligations During Suspension

During any period of suspension, the Contractor will not remove any Work or any equipment and materials, including BC Hydro Property, from the Site without the prior written consent of Hydro's Representative, and will take all commercially reasonable steps to secure and make safe all Work and all such equipment and materials at the Site. At any time after the commencement of a period of suspension, BC Hydro may give written direction to the Contractor to resume performance of the suspended Work, and, upon receipt of such direction, the Contractor will resume the Work within the time specified in such direction by Hydro's Representative, acting reasonably. In the event of suspension under GC.11.1, and provided that such suspension is not due to a default of the Contractor, BC Hydro will, in full satisfaction of all claims the Contractor may have, reimburse the Contractor for the Contractor's reasonable and substantiated direct costs, including reasonable stand-by equipment rental rates, incurred in complying with the requirements of this GC.11.3.

For greater certainty, the Contractor will not be entitled to, nor will the Contractor make any claim for, Consequential Damages.

11.4 Termination for Force Majeure

Either party may, on 14 days written notice to the other party, terminate the Contract if an event of Force Majeure has caused a suspension of the Contract for a period greater than two years. Any termination pursuant to this GC.11.4 will be deemed to be a termination under GC.11.1.



GC.12 DISPUTES

12.1 Dispute Resolution

Except as expressly set out otherwise in the Contract Documents, all disputes relating to or arising out of the Contract (each, a “**Dispute**”) will be resolved in accordance with GC.12.

12.2 Good Faith Efforts to Resolve any Dispute

Without in any way limiting the parties’ rights under the Contract, BC Hydro will encourage and support Hydro’s Representative and the Contractor will encourage and support the Contractor’s Representative to use good faith efforts to resolve any Dispute promptly upon becoming aware of the Dispute, and the Representatives will continue to use such efforts after the delivery of a Dispute Notice, including the early full disclosure and exchange of all documents and information that may be relevant to the Dispute.

12.3 Dispute Notice

A party with a Dispute may, at any time, deliver written notice to the other party, with a copy to Hydro’s Representative or the Contractor’s Representative, as applicable, describing the Dispute (the “**Dispute Notice**”). A Dispute Notice will include, at a minimum:

- (a) a summary of the facts relevant to the Dispute;
- (b) the applicable provisions of the Contract relevant to the Dispute or other basis for the claim upon which the disputing party relies;
- (c) additional supporting documentation, if any, as may be relevant to the dispute and available; and
- (d) a clear statement of the resolution to the Dispute being sought by the disputing party.

12.4 Initial Settlement Meeting

Within 45 days of delivery of a Dispute Notice, or such other time as the parties may agree in writing, the Dispute will, if not already settled, be referred to a representative(s) of each of the parties who, to the extent reasonably practicable, have not been previously involved in the events leading to the Dispute for a settlement meeting to occur within such 45 day period.

12.5 Additional Settlement Meetings

If a Dispute is not settled by a written agreement (a “**Settlement Agreement**”) signed by authorized representatives of both parties after an initial settlement meeting held in accordance with GC.12.4, then, without extending the time limit set out in GC.12.7(b), BC Hydro may, in its sole discretion, direct in writing that an additional settlement meeting or meetings be convened at which BC Hydro will be represented by a new representative(s). BC Hydro will give consideration to a request from the Contractor for an additional settlement meeting or meetings and for specific BC Hydro representatives to be in attendance at such meetings, but BC Hydro will not be obligated to agree to convene a requested additional settlement meeting nor to bring the requested individuals.



12.6 Representatives at Settlement Meetings

The parties will send representatives to the settlement meeting(s) as described in GC.12.4 and GC.12.5, in each case with authority to enter into a Settlement Agreement that is binding on the parties, and with instructions to use all commercially reasonable efforts to resolve the Dispute without delay. Except with the express written consent of the Contractor, BC Hydro's representative(s), in the meetings held pursuant to GC.12.4 or GC.12.5, will include a person(s) other than Hydro's Representative. Notwithstanding any other provision in GC.12, the parties may have any individuals in attendance at any settlement meeting, including their respective Representatives.

12.7 Ultimate Time for Settlement

If a Dispute is not:

- (a) referred to the parties' representatives within the time period specified in GC.12.4; or
- (b) settled by a Settlement Agreement within 90 days after receipt of the Dispute Notice, or such other time as the parties may agree in writing,

then upon written notice of either party delivered to the other party, the unresolved Dispute will be submitted to arbitration pursuant to GC.12.8.

12.8 Arbitration

A Dispute submitted to arbitration will be finally resolved by arbitration before a single arbitrator under the appropriate rules of the British Columbia International Commercial Arbitration Centre ("BCICAC"). The seat of arbitration will be Vancouver, British Columbia, Canada. The language of the arbitration will be English. The arbitrator will conduct the arbitration in a cost effective manner and on an expedited basis, having regard for the subject matter of the Dispute.

Arbitration proceedings, evidence at an arbitration proceeding and the decision of the arbitrator, will be treated as strictly confidential, and not disclosed to any third party without the prior written consent of the parties, and the parties will jointly instruct the arbitrator to maintain the strictest confidentiality of the proceedings, evidence and his or her decision. Notwithstanding the preceding sentence:

- (a) BC Hydro may disclose information with respect to a Dispute and the arbitration proceeding, including evidence at the arbitration proceedings and the decision of the arbitrator, to the British Columbia Utilities Commission, the Province of British Columbia and any Governmental Authority to the extent that BC Hydro considers disclosure necessary or desirable to support its position in any regulatory proceeding or otherwise in order to fulfill its duties to the British Columbia Utilities Commission, the Province of British Columbia, any Governmental Authority or its customers; and
- (b) a decision of the arbitrator may be filed in any court of competent jurisdiction, and may be enforced by either party as a final judgment of such court as permitted by Law in the jurisdiction in which enforcement is sought.



12.9 No Influence

The parties expressly acknowledge that the Dispute Resolution Procedure is to encourage timely resolution of Disputes, and that for it to have the best opportunity for success the procedures should be respected and, accordingly, neither party will make efforts to influence the parties' representatives by making contact with senior representatives of the other party, or the government, or any third party for the purpose of attempting to influence the terms of a resolution of a Dispute, and, for certainty, the parties agree that any such contact will be a breach of the Contract.

12.10 Interest

Subject to any express direction in the arbitrator's decision, interest will be owing on any amount payable pursuant to the arbitrator's decision from the date specified for payment in the decision. Interest will be calculated at the Prime Rate established as of the date such amounts became payable, plus 1%, calculated monthly, interest accruing on interest.

12.11 Must Continue with Work

Notwithstanding any Dispute, the parties will continue to fulfill their obligations pursuant to the Contract, without interruption to the performance of the Work by the Contractor, without prejudice to either party's rights relating to the Dispute.

12.12 Injunctions

Notwithstanding any other provision in GC.12 or any other provision of the Contract, a party may apply to court for injunctive relief if the party determines that, in the circumstances, such relief is required to protect its interests or the interests of the public.

GC.13 PROTECTION OF PERSONS, PROPERTY AND THE ENVIRONMENT**13.1 Site Safety**

With respect to safety in the performance of the Work:

- (a) the Contractor will be responsible for the safe performance of the Work and will take all reasonable steps to ensure that no person is injured due to the performance of the Work. The Contractor will ensure that all persons engaged in the Work or who the Contractor allows on the Site comply with the safety requirements described in this GC.13.1, as applicable;
- (b) prior to commencing performance of the Work under the Contract, and at any time on Hydro's Representative's request, the Contractor will deliver to Hydro's Representative evidence from the Workers' Compensation Board of British Columbia that:
 - (i) the Contractor is registered and in good standing; and
 - (ii) all Persons who will be performing Work at the Site who are not covered by the *Workers Compensation Act* (British Columbia) are covered under personal optional protection coverage available through the Workers' Compensation Board of British Columbia;

- (c) if the Contractor is identified in the Contract Documents or at any time during the performance of the Work as the “prime contractor” for the purposes of the *Workers Compensation Act* (British Columbia), the Contractor will diligently discharge the obligations and duties of prime contractor under that Act. If an entity other than the Contractor, including, as the case may be, BC Hydro or a third party contractor, is identified as the “prime contractor” in the Contract Documents, or at any time during the performance of the Work, then the Contractor will perform the Work in accordance with the safety requirements as required by such entity;
- (d) the Contractor will, on an on-going basis, provide information, instructions, training and supervision to all employees, agents, Subcontractors and other persons that will, for any reason, be on the Site with respect to all safety rules and procedures applicable to the performance of the Work and access to the Site, and the Contractor will provide for such information, instructions, training and supervision in agreements with such Subcontractors;
- (e) Hydro’s Representative may, at any time, and from time to time, make enquiries so as to be satisfied, acting reasonably, that the Contractor is meeting the safety requirements of GC.13.1, including testing, at any time, any individual referred to in GC.13.1(d) to determine if such individual has adequate working knowledge of the safety rules and procedures applicable to the performance of the Work;
- (f) the Contractor will:
 - (i) within ten days of the Effective Date, or by such later date as Hydro’s Representative may agree to in writing, prepare and submit to Hydro’s Representative a safety management plan (the “**Safety Management Plan**”) satisfactory to Hydro’s Representative, acting reasonably, that is based on the attached Appendix H – Safety Requirements and covering all aspects of the performance of the Work;
 - (ii) perform the Work in compliance with the Safety Management Plan; and
 - (iii) promptly revise and submit to Hydro’s Representative an updated Safety Management Plan as required to reflect any changes to safety considerations with respect to the performance of the Work, to the satisfaction of Hydro’s Representative, acting reasonably;

The Contractor will not begin Work at the Site until the Safety Management Plan has been accepted by Hydro’s Representative.

- (g) in addition to complying with all Laws and Permits and the accepted Safety Management Plan, the Contractor will comply with all safety policies, rules and procedures attached at Appendix C – BC Hydro’s Policies and Procedures, and the Contractor will include provisions in its agreements with all Subcontractors who will be on the Site that they will similarly comply with all Laws and Permits, the Safety Management Plan and the safety rules and procedures attached at Appendix C – BC Hydro’s Policies and Procedures; and
- (h) the Contractor will provide Hydro’s Representative with copies of all notices to, and other communications with, Governmental Authorities with respect to the Work, accidents,

inspections or audits that occur on the Site, and, thereafter, provide such written reports relating to the Work, and such accidents, inspections and audits, as may be requested by Hydro's Representative. The Contractor will also provide a safety incident report to BC Hydro within 24 hours of a particular accident or incident occurring, in the manner directed by Hydro's Representative from time to time.

13.2 Protection of Work and Property

With respect to protection of the Work, other work and property:

- (a) except as expressly set out otherwise in the Contract Documents, in performing the Work, the Contractor will be responsible:
 - (i) for the care, custody, control and security of all parts of the Work until Substantial Completion, and the Contractor will, at the Contractor's sole cost and expense, make good any loss or damage to any part of the Work until Substantial Completion;
 - (ii) to protect BC Hydro's and other Person's work and property, including BC Hydro Property, from loss or damage, and the Contractor will, at the Contractor's sole cost and expense, make good any such loss or damage to BC Hydro's or other Person's work and property, including BC Hydro Property; and
 - (iii) for the care, custody, control, maintenance and security of the Work and all equipment, materials and other items used or provided to or by the Contractor or any Subcontractor in connection with the Work, including BC Hydro Property, whether in transit to or from the Site or in storage on or off the Site by the Contractor or any Subcontractor, and the Contractor will, at the Contractor's sole cost and expense, make good any loss or damage to any such Work, equipment, materials and other items;
- (b) notwithstanding GC.13.2(a), the Contractor will not be responsible for loss or damage described in GC.13.2(a):
 - (i) to the extent the Contractor, in the performance of the Work, could not reasonably have avoided such loss or damage; or
 - (ii) to the extent BC Hydro, Hydro's Representative, Other Contractors or others for whom BC Hydro is in law responsible (other than the Contractor and those engaged by or through the Contractor, including Subcontractors) contributed in causing such loss or damage; and
- (c) for certainty, if the loss or damage described in GC.13.2(a) would have been covered by or recoverable against the insurance required to be obtained and maintained under the Contract but for GC.13.2(b), then GC.13.2(b) will be inoperative and considered as deleted from the Contract so as to permit the recovery under such insurance. In such event, BC Hydro will pay the applicable deductible or reimburse the Contractor for the payment of the applicable deductible and the insurance proceeds will be used by the parties to make good the loss or damage.



13.3 Hazardous Substances

The Contractor will not, and will ensure that the Subcontractors will not, use, store, transport, remove, dispose of or destroy any Hazardous Substances on the Site, except with the prior written approval of Hydro's Representative. All Hazardous Substances used, stored, transported, removed, disposed of or destroyed will be dealt with in accordance with Law and the Contract Documents.

13.4 Discovery of Hazardous Substances

If, in the performance of the Work, the Contractor discovers or encounters material on the Site which is, or which appears to be, a Hazardous Substance that has not been identified in the Contract Documents, or is in receipt of information, which a reasonable person would consider reliable, that a Hazardous Substance may be encountered in the performance of the Work, then the Contractor will:

- (a) immediately stop Work in the affected area and give written notice to Hydro's Representative; and
- (b) cooperate with Hydro's Representative to determine the steps that should be taken to confirm whether the material is a Hazardous Substance, and, if necessary, the steps required to deal with the Hazardous Substance in a way that minimizes the risks to health and safety, the environment and delay to the Work, and upon the determination of such steps, the Contractor will, as part of the Work, proceed to carry out such steps in compliance with Hydro's Representative's directions.

When encountered by the Contractor, the circumstances described in this GC.13.4 will entitle the Contractor to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro's Representative promptly upon the Contractor becoming aware of such Site conditions, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such Site conditions.

13.5 Protection of the Environment

With respect to the protection of the environment, except as expressly set out otherwise in the Contract Documents:

- (a) the Contractor will:
 - (i) within ten days of the Effective Date, or by such later date as Hydro's Representative may agree to in writing, prepare and submit to Hydro's Representative an environmental protection plan (the "**Environmental Protection Plan**") satisfactory to Hydro's Representative, acting reasonably, that is based on the attached Appendix I – Environmental Requirements and takes account of GC.13.5(b), covering all aspects of the performance of the Work;
 - (ii) perform all Work in compliance with the Environmental Protection Plan; and
 - (iii) revise and submit to Hydro's Representative an updated Environmental Protection Plan as required to reflect any changes to environmental

considerations with respect to the performance of the Work, to the satisfaction of Hydro's Representative, acting reasonably;

- (b) the Contractor will perform the Work using all commercially reasonable efforts to minimize damage and negative impact to the environment;
- (c) as directed in writing by Hydro's Representative, the Contractor will protect and not destroy, remove or clear trees, timber or shrubs or disturb or damage watercourses; and
- (d) if unauthorized damage to the environment occurs, or threatens to occur, then the Contractor will:
 - (i) immediately notify Hydro's Representative in writing with details of the cause and extent of such actual or threatened damage;
 - (ii) stop Work, in whole or in part, as may be required to protect the environment;
 - (iii) without delay, prepare and submit a written plan to Hydro's Representative describing the steps the Contractor will implement in the performance of the Work to protect the environment, acceptable to Hydro's Representative, acting reasonably;
 - (iv) implement such plan; and
 - (v) except if the damage or threatened damage was or will be caused directly by BC Hydro, or a Person for whom BC Hydro is in law responsible (other than the Contractor and those engaged by or through the Contractor, including Subcontractors), pay all costs incurred to comply with the requirements of GC.13.5(d).

13.6 Heritage Resources

All remains or things of geological or archaeological interest or value the Contractor discovers or encounters at the Site will, as between BC Hydro and the Contractor, be deemed to be the property of BC Hydro.

With respect to remains or things of geological or archaeological interest or value at the Site:

- (a) if the Contractor receives any information from any source, either written or orally, suggesting that such remains or things might be present at the Site and might be encountered in the performance of the Work, then the Contractor will:
 - (i) make all reasonable efforts, through further enquiry and Site investigations, to assess whether such information is credible or may reasonably be discounted; and
 - (ii) without delaying or interrupting the Work, proceed cautiously in performing the Work until the enquiry and investigations described in GC.13.6(a)(i) are complete; and



- (b) if the Contractor confirms the existence of remains or things of geological or archaeological interest or value at the Site, either through the enquiry and investigations described in GC.13.6(a)(i) or in the performance of the Work, then the Contractor will immediately:
- (i) take all reasonable precautions to prevent removal of or damage to such remains or things;
 - (ii) notify Hydro's Representative in writing; and
 - (iii) comply with any directions given by Hydro's Representative.

When encountered by the Contractor, the circumstances described in GC.13.6(b) will entitle the Contractor to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro's Representative promptly upon the Contractor becoming aware of such remains or things, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such remains or things.

13.7 Dangerous Goods

All Dangerous Goods used, stored, transported, removed, disposed of or destroyed will be dealt with in accordance with Law and the Contract Documents. The Contractor will bring on to the Site only those Dangerous Goods that are required for the performance of the Work on the Site. Dangerous Goods will not be brought on to, used or stored on the Site without the prior written approval of Hydro's Representative. The Contractor will make material safety data sheets for such goods immediately accessible by Subcontractors and Hydro's Representative on the Site at all times.

13.8 Dangerous Goods Occurrence

If, during the performance of the Work or in the course of transporting Dangerous Goods to or from the Site, the Contractor is involved in a Dangerous Goods Occurrence, as defined in the *Transportation of Dangerous Goods Act (Canada)*, the Contractor will immediately notify Hydro's Representative in writing.

13.9 No Asbestos Containing Materials

The Contractor represents and warrants that none of the goods, materials and/or equipment being supplied or used in the course of the Work includes or contains Asbestos Containing Materials. For purposes of this GC "Asbestos Containing Materials" means manufactured articles or other materials, other than vermiculite insulation, that contain a minimum 0.5% asbestos when tested in accordance with analytical methods (NIOSH method 9000, 9002 or EPA/600/R-93/116). All vermiculite materials with any level of asbestos contamination are considered to be Asbestos Containing Materials. The foregoing representation and warranty does not apply to goods, materials and/or equipment supplied by BC Hydro.



GC.14 CONFIDENTIALITY**14.1 BC Hydro Confidential Information**

The Contractor will treat as confidential, and will use commercially reasonable efforts to protect and prevent the publication, disclosure or dissemination to third parties without the prior written consent of BC Hydro of any business, financial, operational or technical information of any BC Hydro Person, or of any other information expressly identified by BC Hydro in writing as proprietary or confidential, that is supplied (whether orally or in written, electronic or any other form) to, or otherwise obtained or acquired by, the Contractor as a result of or in connection with the Contract (collectively the “**BC Hydro Confidential Information**”).

14.2 Contractor Confidential Information

BC Hydro will treat as confidential, and will use commercially reasonable efforts to protect and prevent the publication, disclosure or dissemination to third parties without the prior written consent of the Contractor of any:

- (a) proprietary information, trade secrets and know-how relating to the Contractor’s products, equipment, processes or methods which the Contractor expressly identifies in writing as confidential at the time of disclosure; and
- (b) financial information of the Contractor,

that is supplied (whether orally or in written, electronic or any other form) to BC Hydro by the Contractor pursuant to or in connection with the Contract (collectively the “**Contractor Confidential Information**”).

14.3 Permitted Disclosure

Notwithstanding GC.14.1 and GC.14.2, disclosure of Confidential Information may be made:

- (a) with the prior written consent of the Disclosing Party’s Representative;
- (b) in strict confidence to the receiving party’s professional advisors;
- (c) in the case of the Contractor, to Subcontractors and Affiliates, or, in the case of BC Hydro, to Other Contractors or other contractors, who, in each case, need to know the applicable Confidential Information for the purposes of performing the Work, performing work on the Project, or operating, maintaining, repairing or altering the permanent Work;
- (d) in the case of BC Hydro:
 - (i) to any Governmental Authority, as required or requested by such Governmental Authority;
 - (ii) to the British Columbia Utilities Commission for the purpose of any regulatory application or submission to the British Columbia Utilities Commission; and
 - (iii) to any provincial ministry or to the Province of British Columbia; or



- (e) as otherwise required by Law, by Permits, or permitted by the Contract, including GC.24.

The Contractor will, acting reasonably, consent to such Contractor Confidential Information as BC Hydro may request to be disclosed for reasons of public interest and transparency including:

- (f) emergency response plans; and
- (g) employment information including Aboriginal participation.

The Contractor will require all Subcontractors and Affiliates to enter into agreements with the Contractor containing confidentiality provisions substantially similar to those found in this GC.14.1 and GC.14 (a) to (c).

Prior to disclosing any Contractor Confidential Information to Other Contractors or other contractors, BC Hydro will ensure that such parties are bound by agreements with BC Hydro containing confidentiality provisions substantially similar to those found in GC.14.2 and GC.14(a) to (c).

14.4 Exceptions to Confidentiality Obligations

The obligations of confidentiality described in GC.14.1 and 14.2 will not apply to:

- (a) information that is, or subsequently becomes, publicly available other than through a breach of the Contract or through a breach of a confidentiality agreement which another Person has entered into concerning the Confidential Information;
- (b) information which the party already possessed before commencing to participate in the Project;
- (c) information which is rightfully received from a third party without breach of any obligation of confidence by such third party; or
- (d) information which is independently developed without the use of the Confidential Information.

GC.15 RECORDS AND AUDIT

15.1 Retention of Documents

The Contractor will, during the performance of the Work and for a period of ten years after termination of the Contract, keep and maintain proper and accurate accounts and records, including all agreements with Subcontractors, invoices, statements, Permits, manifests, receipts, vouchers, calculations, reports, data, time and material costing records with respect to the Work undertaken on a time and materials or cost-plus basis, drawings, plans and other documents, including substantiation of any statements made on any reporting forms required by Appendix K – Aboriginal Engagement and Aboriginal Participation, if any, in hard or electronic form, in respect of the Project and the Work, in accordance with Good Industry Practice.

15.2 Audit

The Contractor will, upon reasonable written notice, make all information described in GC.15.1 available to Hydro's Representative and any of his or her nominees during the performance of

the Work and for the ten year period described in GC.15.1 for review and audit. The Contractor will, upon written request from Hydro's Representative within such time period, and in any event prior to disposal of such information, provide Hydro's Representative with a copy of any such information in a form satisfactory to Hydro's Representative, acting reasonably.

15.3 Audit Not a Waiver

No audit conducted by Hydro's Representative or BC Hydro or any of their nominees will at any time constitute approval or acceptance of any Work under the Contract, nor be considered a waiver by BC Hydro of any of the terms of the Contract, nor relieve the Contractor of any of its duties, obligations or responsibilities under the Contract to perform the Work in accordance with the requirements of the Contract Documents.

GC.16 INSURANCE

16.1 Contractor Provided Insurance Coverage

Prior to commencing any Work, the Contractor will, at its sole cost and expense, obtain and maintain, or cause to be obtained and maintained, the following insurance policies at all times during the performance of the Work (including in respect of any Work performed prior to the Effective Date) until Total Completion (unless another period is indicated herein):

(a) Commercial general liability insurance:

- (i) in an amount of [REDACTED] per occurrence and [REDACTED] in the annual aggregate;
- (ii) with coverage not less than the insurance required by IBC Form 2100, or its equivalent replacement, and in any event providing coverage for loss of, damage to and loss of use of BC Hydro property arising out of or in connection with the performance of the Work by the Contractor under the Contract;
- (iii) maintained for not less than 24 months after Total Completion;
- (iv) with coverage to include: Hook Liability, Sudden and Accidental Pollution Liability, Explosion, Collapse and Underground Damage Liability, Forest Fire fighting Expense Liability, and Attached Equipment Cross Liability;

(b) Automobile liability insurance:

- (i) in an amount of [REDACTED] per occurrence for bodily injury, death and damage to property;
- (ii) in respect of all vehicles owned or leased by the Contractor (used directly or indirectly in the performance of the Work) that are required by law to be insured under a contract by a Motor Vehicle Liability Policy;



- (c) if the Work includes the use of aircraft, aircraft liability insurance:
- (i) in an amount of [REDACTED] inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof and limits of not less than [REDACTED] for aircraft passenger hazard;
 - (ii) in respect of all owned and non-owned aircraft (if used directly or indirectly in the performance of the Work), including use of additional premises;
- (d) if the Work includes the use of watercraft, watercraft liability insurance:
- (i) in an amount of [REDACTED] inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof and limits of not less than [REDACTED] for watercraft passenger hazard;
 - (ii) in respect of all owned or non-owned watercraft (if used directly or indirectly in the performance of the Work) including use of additional premises;
- (e) Broad form builder's risk insurance:
- (i) in an amount equal to the full replacement value of the Work plus the value of the BC Hydro Property (as provided by Hydro's Representative under GC.4.19);
 - (ii) with coverage not less than the insurance required by IBC Form 4042, or its equivalent replacement, and in any event providing coverage for all risks of direct physical loss or damage to all "property" as defined in the Builders Risk policy;
 - (iii) with any expiry no earlier than Substantial Completion of the Work;
- (f) "Broad form" equipment insurance:
- (i) in an amount equal to the full replacement value of the equipment;
 - (ii) in respect of equipment used by the Contractor in the performance of the Work at Site, including loss of use thereof;
- (g) If the Work requires any single shipment of equipment, parts, or materials valued over [REDACTED] Marine Cargo/Inland Marine Cargo (as applicable):
- (i) in an amount no less than the full replacement value of the insured property;
 - (ii) covering all insurable risks of loss or damage to the shipment, on terms not less than the Institute Cargo Clauses ("**All Risks**") including war, strikes, riots and civil commotions;
 - (iii) coverage will attach at the commencement of loading at the manufacturer's facility and be maintained throughout the course of transport, including while the insured property is in trans-shipment, customs, or interim storage, until arrival at and completion of unloading at the Site;



- (h) any other insurance that the Contractor deems necessary having regard to the policies of insurance which prudent Contractors in similar circumstances would obtain and maintain in respect of work of similar complexity and magnitude to the Work.

16.2 Requirements for Contractor Provided Insurance

The following provisions will apply to all insurance provided by the Contractor under the Contract:

- (a) except with the prior written consent of Hydro's Representative, each policy of insurance provided by the Contractor will:
- (i) be provided by insurers authorized to underwrite insurance in British Columbia with a minimum investment grade credit rating by at least one of: Standard & Poor's, A.M. Best and DBRS;
 - (ii) be primary and not require the sharing of any loss or contribution by any insurer of BC Hydro or any other insured;
 - (iii) contain a provision that the insurers waive their rights of subrogation against BC Hydro and its shareholders, directors, officers, employees, and agents (excluding the insurance required by GC.16.1(b));
 - (iv) contain a severability of interest provision (excluding the insurance required by GC.16.1(b));
 - (v) contain a provision that the insurer will not cancel the policy without providing 30 days prior written notice to BC Hydro;
- (b) each policy of insurance provided by the Contractor under GC.16.1 (except under GC.16.1(b),GC.16.1(f) and GC.16.1(g), will:
- (i) include BC Hydro and its shareholders, directors, officers, employees and agents as additional insureds; and
 - (ii) contain a cross liability endorsement to the effect that the Contractor and BC Hydro and any other insured will each be entitled to indemnification under such policy as if each were insured under a separate policy and notwithstanding that the claim in respect of which indemnification is sought is made by any other insured;
- (c) if applicable, each policy of insurance provided by the Contractor under GC.16.1(e), GC.16.1(f), and GC.16.1(g) will include BC Hydro as a loss payee as its interest appear;
- (d) the Contractor will submit to Hydro's Representative certificates of insurance for all insurance required to be provided by the Contractor under the Contract prior to commencing any Work, and thereafter not later than 30 days after the renewal of each insurance policy. Hydro's Representative may request, at any time:



- (i) policy summaries that detail the extensions of coverage, sub-limits, and notable exclusions and endorsements of the insurance that have been required under the Contract; and
- (ii) where BC Hydro reasonably believes that there is an inaccuracy in a certificate of insurance submitted by the Contractor, that the Contractor make available for inspection, but not for copying, in Vancouver, B.C., certified copies of the Contractor's insurance policies required under the Contract, excepting that the Contractor can redact the limits and the premiums from such copies,

and the Contractor will provide the requested policy summaries or make the requested insurance policies available for inspection, as applicable, within five days of such request.

- (e) the Contractor will comply with and abide by the terms and conditions of the policies in connection with all the insurance provided by the Contractor and pay, when required, all premiums and any deductible or self-insured retention payable under the terms of those policies; and
- (f) the Contractor will immediately rectify anything which might prejudice cover under or the operation of any policies of insurance that the Contractor is required to obtain and maintain under the Contract and reinstate such policies if any such policy lapses or is terminated.

16.3 Minimum Insurance

The Contractor must maintain the types and amounts of insurance required under the Contract. However, the Contractor may choose to maintain policy limits or conditions more favorable than the insurance required herein, and may also maintain types of insurance that are not specified herein.

16.4 BC Hydro's Right to Maintain

If, at any time, the Contractor fails to obtain and maintain the insurance required under the Contract, including obtaining and maintaining the required policy limits then, without limiting BC Hydro's rights in respect of any default that arises as a result of such failure, BC Hydro may, at its option, obtain and maintain such insurance or portion of such insurance. In such event, BC Hydro may withhold and set-off the cost of insurance premiums expended for such insurance from any payments due to the Contractor.

16.5 Subcontractor Insurance

The Contractor will determine the applicable insurance coverage to be obtained and maintained by each Subcontractor, provided that such insurance will be consistent with the insurance that a prudent contractor would require its subcontractors to maintain for services similar in scope and magnitude to the Work.

16.6 Deductibles

Deductibles under the policies required herein will not exceed [REDACTED] without the approval of Hydro's Representative (after application for such by the Contractor). The Contractor be [REDACTED]

responsible for all waiting periods and for the payment of all deductibles or self-insured retentions for the insurance policies required under the Contract, except to the extent that the requirement to pay such deductible or self-insured retention is caused by the errors, omissions or negligent acts of BC Hydro or any Person for whom BC Hydro is responsible in law (other than the Contractor and those engaged by or through the Contractor, including Subcontractors).

16.7 Liability of Contractor

Neither the provision of insurance by the Contractor in accordance with the Contract, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim thereunder, nor any review, approval or non-approval of any policy of insurance by BC Hydro, will relieve the Contractor of any liability of obligation, or derogate from or diminish BC Hydro's rights under the Contract.

16.8 Notice of Occurrence and Claim

The Contractor will immediately notify Hydro's Representative, in writing, of any loss, claim or circumstance that has resulted in a material reduction, below the limits required under the Contract (but for clarity, not including the setting of reserves for a potential claim), of any of the policies of insurance required under the Contract, whether or not such occurrence or incident arises under the Contract, and of any other event in respect of which notice should be given by BC Hydro or the Contractor to the relevant insurers. Without limiting BC Hydro's rights under the Contract and such insurance policies, the Contractor will provide notice to the insurers of any losses, claims and circumstances in accordance with the requirements of such policies. In addition, both BC Hydro and the Contractor will provide to the other all such information and assistance as may be reasonably practicable in all the circumstances.

16.9 Claims Cooperation

With respect to any Claim against BC Hydro, whether insured or otherwise, the Contractor will cooperate with BC Hydro, BC Hydro's insurers, claims adjusters and other representatives to mitigate any impact of any investigations relating to the Claim on BC Hydro's operations, including the performance of the Work.

GC.19 WARRANTY**19.1 Warranty**

The Contractor warrants that all Work will be performed in accordance with the Contract Documents, free from defects in material, workmanship and any design or engineering furnished by or on behalf of the Contractor.

19.2 Quality of Equipment, Products and Materials

The Contractor warrants that the equipment, products and materials furnished by or on behalf of the Contractor for the Work will, except as expressly set out otherwise in the Contract Documents, be:

- (a) new and of recent manufacture;
- (b) first quality;
- (c) where such equipment and materials are not specified in the Contract Documents, fit for their intended purposes as reasonably inferred from the Contract Documents;
- (d) compatible with BC Hydro's existing facilities and property at the Site, and of a quality at least equivalent to the quality of the adjacent or connecting portions of the Work;
- (e) free from design defects, faults and faulty operation, including latent defects, provided that:
 - (i) if the Contractor obtains or makes commercially reasonable efforts to obtain an equivalent warranty, including with respect to the Warranty Period described in GC.19.3, from the applicable third party manufacturer of the equipment and materials; and
 - (ii) the Contractor complies with GC.19.5 to assign the manufacturer's warranty to BC Hydro,
 then the Contractor will be deemed to have satisfied this GC.19.2(e);
- (f) compliant with the Contract Documents, including the specifications set out in Appendix G – Specifications; and
- (g) compliant with all Laws and Permits.

19.3 Length of Warranty

The warranty set out in GC.19.1 and GC.19.2 will expire (the "**Warranty Period**") 12 months after the date of Substantial Completion or earlier termination of the Contract, except with respect to any matters for which a warranty claim has been made during such period. If any warranty claim is made pursuant to GC.19 and any part of the Work is re-performed, repaired or replaced, a new Warranty Period will commence for such re-performed, repaired or replaced Work from the date such re-performed, repaired or replaced Work is completed, unless such warranty work required only minor adjustment to and not replacement of a piece of equipment or a component.

19.4 Partial Take Over

If the Contractor performs the Work in such a manner that portions of the Work may be used by BC Hydro before the date of Substantial Completion, then BC Hydro may, on written notice to the Contractor, take over and begin to use such portions even though a certificate of Substantial Completion has not been issued. If BC Hydro takes over and begins to use a portion of the Work before the date of Substantial Completion, then the Warranty Period with respect to such portion will commence to run from the date of the take over and use.

19.5 Assignment

Without limiting the generalities of GC.19.1, GC.19.2 or GC.19.3, the Contractor will assign to BC Hydro the guarantees and warranties (such that they may be enforceable directly by BC Hydro) provided by Subcontractors and other Persons performing work for or on behalf of the Contractor with respect to the Work.

19.6 Defects

If defects, including latent defects, are discovered in the Work, including in any equipment and materials incorporated into the Work, then the Contractor will correct the defect or replace the equipment and materials promptly upon written notification from Hydro's Representative. The Contractor will be responsible for all costs associated with such corrections and replacements, including all costs incurred by BC Hydro in relation to the corrections and replacements (such as the costs to retain other contractors, costs of materials and equipment, administrative and supervisory costs and the cost of BC Hydro's own forces), and the Contractor will indemnify and save harmless the Indemnified Parties from any resulting damages. Other work removed or damaged due to such defects, or the corrections or replacements or making good such defects, will also be made good by the Contractor without additional payment by or cost to BC Hydro.

19.7 Failure to Remedy Defects

If the Contractor fails to remedy any defect or damage within a reasonable time, then a date may be fixed by Hydro's Representative on or by which the defect or damage is to be remedied. The Contractor will be given reasonable written notice of this date. If the Contractor fails to remedy the defect or damage by such date and the remedial work was to be executed at the cost of the Contractor under GC.19, then BC Hydro may, at its option:

- (a) carry out the work using BC Hydro's own forces or other contractors, in a reasonable manner and at the Contractor's sole cost and risk. The Contractor will pay to BC Hydro, within 30 days after receipt of an invoice, the costs reasonably incurred by BC Hydro in remedying the defect or damage;
- (b) require Hydro's Representative to determine a reasonable reduction in the Contract Price; or
- (c) if the defect or damage deprives BC Hydro of substantially the whole benefit of the Work or any major part of the Work, terminate the Contract as a whole, or in respect of such major part which cannot be put to the intended use. Without prejudice to any of its other rights and remedies under the Contract or otherwise, BC Hydro will then be entitled to recover all sums paid for the Work or for such part (as the case may be), plus financing,

costs and the cost of dismantling such Work or part, clearing the Site and returning equipment and materials to the Contractor.

19.8 Removal of Defective Work

If the defect or damage cannot be remedied expeditiously on the Site and Hydro's Representative gives its written consent, then the Contractor may remove from the Site for the purposes of repair such items as are defective or damaged. This consent may require the Contractor to increase the amount of the performance bond by the full replacement cost of these items, or to provide other appropriate security.

19.9 BC Hydro Correction in Emergency

Without limiting GC.6.10, in the event of an emergency, BC Hydro may correct any defect or damage and the Contractor will promptly reimburse BC Hydro for all costs reasonably incurred by BC Hydro to correct the defect or damage.

GC.20 COMPLIANCE WITH LAWS AND BC HYDRO'S POLICIES AND PROCEDURES

20.1 Compliance with Laws

The Contractor, its employees and agents, and the Subcontractors, and their employees and agents, will be fully knowledgeable of and comply with all Laws.

20.2 Compliance with BC Hydro's Policies and Procedures

The Contractor will, and will cause its employees, agents and Subcontractors to, comply with the attached Appendix C – BC Hydro's Policies and Procedures, including all documents and other material referred to in Appendix C – BC Hydro's Policies and Procedures, in performing the Work or any part of the Work.

GC.21 PRIVACY

21.1 Compliance with FOIPPA

BC Hydro is subject to FOIPPA and, accordingly, in order for BC Hydro to comply with the requirements of FOIPPA, the Contractor will, prior to or at the same time as providing BC Hydro or Hydro's Representative with copies of, or access to copies of, any records containing Personal Information of the Contractor's or any Subcontractor's employees, obtain the written consent, in a form prescribed by BC Hydro, of each affected individual to the indirect collection, retention, use and, if required by BC Hydro, disclosure of his or her Personal Information by BC Hydro. Upon request, at any time, from Hydro's Representative, the Contractor will provide, within five days of such request, evidence satisfactory to Hydro's Representative, acting reasonably, that such consent has been obtained.

21.2 Default

The Contractor's failure to comply with its obligations under GC.21 will be deemed to be a default under the Contract to which the provisions of GC.9.1 will apply.



GC.22 TAXES AND DUTIES

22.1 Tax Included in Contract Price

The Contract Price (and any part of the Contract Price) paid or payable by BC Hydro to the Contractor includes the PST, all applicable taxes, duties, levies and charges (excluding only GST) payable by or assessed on any of the Contractor, Subcontractors, or their employees or other Persons engaged by or through them by any and all Governmental Authorities in connection with the Work and includes all customs duties with respect to all imported equipment and materials.

22.2 GST

GST will be identified as a separate line item on all invoices, and will be payable by BC Hydro to the Contractor as a separate item in addition to the Contract Price.

22.3 Input Tax Credits

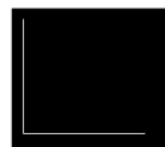
Each party will provide to the other party at all times when any GST is required to be paid, such documents and particulars relating to the supply as may be required by either BC Hydro or the Contractor, as the case may be, to substantiate a claim for any input tax credits as may be permitted pursuant to the *Excise Tax Act* (Canada) in respect of GST.

22.4 Payment of Taxes

Except as expressly set out otherwise in the Contract Documents, the Contractor is solely responsible for and will pay the PST, GST and all taxes, duties, levies and charges payable by or assessed on any of the Contractor, Subcontractors, or their employees or other Persons engaged by or through them by any Governmental Authorities in connection with the Work ("**Contractor Taxes**"). The Contractor will be solely responsible for and pay all customs duties with respect to all imported equipment and materials regardless of whether such equipment and materials are held in the name of the Contractor, a Subcontractor or BC Hydro at the time of import ("**Contractor Duties**"). For clarity, the foregoing does not derogate from the Contractor's right to collect any applicable GST from BC Hydro pursuant to GC.22.2

22.5 Tax Indemnity

The Contractor will indemnify and hold harmless the Indemnified Parties, or any one of them, from and against any liability and costs incurred by them in respect of any Contractor Taxes or Contractor Duties, or any other related charges, including any related interest, fines, or penalties and any related reporting obligations and costs incurred as a consequence of such. The Contractor will be registered with all Governmental Authorities in accordance with Law and will comply with all of its obligations to collect and remit any such Contractor Taxes and Contractor Duties. Notwithstanding any other provision in the Contract, BC Hydro may, in its sole discretion, withhold from any monies owed to the Contractor, whether such monies are owed under and pursuant to the Contract or otherwise, such amounts as are payable by the Contractor in respect of Contractor Taxes or Contractor Duties for which BC Hydro becomes or may become liable.



22.6 Non-Resident

In the event that the Contractor is or becomes a non-resident of Canada for purposes of the *Income Tax Act* (Canada), the Contractor will provide Hydro's Representative with written notice of such circumstance.

If the Contractor:

- (a) is, or becomes, a "non-resident person" (as defined in the *Income Tax Act* (Canada));
- (b) provides or performs any part of the Work in Canada; and
- (c) has not received and provided Hydro's Representative with a copy of a written exemption from Canada Revenue Agency,

then BC Hydro will deduct and withhold 15% non-resident withholding tax on the value of the Work performed in Canada, or such other amount as may be specified by Canada Revenue Agency from time to time, and remit such amount according to Laws. Where the Contractor renders all or part of the work outside Canada, or where equipment and materials that are included in the Contract Price are installed and form part of the Work, the Contractor is required to clearly and separately identify on each invoice the value of Work billed but not provided in Canada, and the value of equipment and materials installed at the Site. Failure to separately state these items will result in BC Hydro deducting non-resident withholding tax on the full payment amount. If Canada Revenue Agency assesses BC Hydro for a failure to withhold pursuant to Laws, then the Contractor will indemnify the Indemnified Parties and each one of them against all taxes, penalties, fines, interest and costs resulting from such failure.

22.7 GST Flow-Through

Where the Contractor is a non-resident of Canada, and is not registered for GST and wishes to recover from BC Hydro GST the Contractor has paid as the importer of record on the importation of goods supplied under this Contract, the Contractor will provide to BC Hydro such evidence satisfactory to the Minister of National Revenue of Canada as may be necessary to establish that the GST has been paid on importation of goods supplied under this Contract.

22.8 Tax Exemptions and Refunds

The Contractor will, where applicable, use all commercially reasonable efforts to obtain for the benefit of BC Hydro all available exemptions, deductions, rebates, remissions and refunds for all Contractor Taxes and Contractor Duties, including any other related charges, including any related interest, fines or penalties, and upon receipt of any amount in respect of any such exemption, deduction, rebate, remission or refund, the Contractor will promptly pay such amount to BC Hydro.

22.9 Tax Consequences

For greater certainty: (i) BC Hydro is not responsible or liable for any adverse tax consequences (including additional or increased Taxes) to the Contractor or any personnel (including Key Personnel) as a result of the personnel performing services for a prolonged period at the Site, which is at a different location from the personnel's country of residence; and (ii) the desire to

avoid those kinds of adverse tax consequences is not a justification for removal of a Key Personnel from, or permission for a Key Personnel to cease performance of the Work.

GC.23 CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

23.1 Contractor's Corporate Representations and Warranties

The Contractor hereby covenants with, and represents and warrants to BC Hydro that, as of the Effective Date, the following representations and warranties are true:

- (a) that unless otherwise disclosed to BC Hydro in writing before the Effective Date and agreed by BC Hydro in writing, the Contractor's performance of the Work will not create any conflict of interest in relation to any services provided by the Contractor to any other party prior to, during or subsequent to Total Completion;
- (b) it is an entity duly created and organized, validly subsisting and in good standing under the Laws of the jurisdiction of its creation and is validly subsisting and in good standing under the Laws of the jurisdiction in which the Work will be performed, and, if different, where the Site is located, and has all requisite power and authority to execute, deliver and perform its obligations under the Contract; and
- (c) the Contract has been duly authorized, executed, and delivered by the Contractor and constitutes a legal, valid, and binding obligation of the Contractor, enforceable against the Contractor in accordance with its terms.

23.2 Contractor's Performance Representations and Warranties

The Contractor acknowledges that BC Hydro is relying on the Contractor's skill, knowledge and expertise in performing the Work in accordance with the Contract Documents. The Contractor hereby represents and warrants, with respect to the Work performed by the Contractor and the Subcontractors, that:

- (a) the Contractor and the Subcontractors have the necessary qualified personnel, with the skills and expertise, to perform and to complete the Work and are experienced, ready and willing to perform the Work in accordance with the Contract Documents; and
- (b) the Contractor has, or will obtain, all required permits, including all Permits, except for Project Related Permits, licenses and authorizations necessary to carry on its business and to be obtained by it to perform the Work.

GC.24 INTELLECTUAL PROPERTY

24.1 Grant of License

The Contractor hereby grants to BC Hydro an irrevocable, perpetual, nonexclusive, fee-free, royalty-free, assignable license to use, practice, produce, reproduce, or publish, and to permit others on behalf of BC Hydro to use, practice, produce, reproduce, or publish, any intellectual property rights owned by, controlled by, licensed to or used by the Contractor to the extent such intellectual property rights are incorporated into the Submittals and the Work, for the purpose of and to the extent necessary for:



- (a) the operation, maintenance, repair, refurbishment or alteration of the Work or any part of the Work;
- (b) in the circumstances where the Work is incomplete due to the default of the Contractor, the completion of the Work;
- (c) any operation, maintenance, repair, refurbishment, replacement or alteration of work, equipment, products or materials that are adjacent to or connected to the Work, but solely as required for establishing interfaces with the Contractor's Work; and
- (d) any BC Hydro procurement process for any of the above (BC Hydro having the right to publish the Submittals as part of the relevant procurement documents).

24.2 Third Party Intellectual Property

The Contractor will make each third party with whom it deals and who may be affected by GC.24.1 aware of GC.24.1 and will cause each such third party to comply with such provision so as to enable the Contractor to fulfill its obligations under such provision, prior to or upon entering into any contract or agreement with such third party.

24.3 Royalty and Patent Fees

The Contractor will be solely responsible for and will pay all royalties, patent fees, license fees and other charges payable on the items or things furnished by or on behalf of the Contractor in connection with the Project or the Work.

GC.25 MISCELLANEOUS

25.1 International Sale of Goods

The parties expressly agree that the United Nations Convention on Contracts for the International Sale of Goods does not and will not apply to the Contract.

25.2 Duty to Mitigate

In all cases where the Contractor is entitled to receive from BC Hydro any additional compensation, damages, or extensions of time, the Contractor will use both all commercially reasonable efforts and all due diligence to mitigate and reduce the amount required under the Contract to be paid by BC Hydro to the Contractor or the amount of the extension of the time for the performance of the Work. This obligation will be taken into account in the determination of the Contractor's entitlement to an extension of time for the performance of the Work and reimbursement of costs or both.

25.3 Change of Law

If any Law that is directly applicable to the design or the manner of the performance of the Work is amended after the Effective Date and before Total Completion, and such amendment unavoidably results in a material increase in the costs incurred by the Contractor to perform the Work, including any increase in Contractor Duties or Contractor Taxes, then such amendment will entitle the Contractor to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such cla

to Hydro's Representative promptly upon the Contractor becoming aware of such amendment, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such amendment. In the event of any decrease in Contractor Taxes or Contractor Duties after the Effective Date and before Total Completion, BC Hydro will be entitled to the benefit of such decrease and may adjust the Contract Price and any amount payable to the Contractor accordingly.

25.4 Severability

Each provision of the Contract is severable. If any provision of the Contract is to any extent invalid or unenforceable, the remainder of the Contract will not be affected and each remaining provision of the Contract will be separately valid and will be enforceable.

25.5 Joint and Several Liability

Where the Contractor is a joint venture, partnership or consortium:

- (a) each member of such entity agrees to be jointly and severally liable for the obligations of the Contractor; and
- (b) the Contractor will not change its composition or legal status without the prior written consent of BC Hydro.

25.6 Independent Contractor

The relationship between BC Hydro and the Contractor under the Contract is that of the Contractor being an independent contractor, notwithstanding any other provision in the Contract or anything arising out of the actions of the parties. BC Hydro and the Contractor expressly deny that it is their intention to create any partnership, joint venture, agency or other relationship. Unless otherwise agreed in writing, the Contractor is not the agent of BC Hydro in any capacity whatsoever under the Contract, and has no authority to act as an agent of BC Hydro.

25.7 Third Persons

Except as expressly set out otherwise in the Contract Documents, nothing in the Contract, expressed or implied, is intended or will be construed to confer upon or to give any Person which is not a party to the Contract any rights or remedies under or by reason of the Contract.

25.8 Public Communications

The Contractor acknowledges that BC Hydro will not provide any endorsement of the Contractor or the Work performed pursuant to the Contract. The Contractor will not erect any sign or advertising, use any BC Hydro trademark, logo or device in any sign or advertisement or make any public announcement or disclosure, whether for publication in the press, radio, television, or any other medium, regarding the existence of the Contract, the Project or the Work without the prior written consent of BC Hydro, which consent may be arbitrarily withheld.

25.9 Attornment

Subject to GC.12, for the purposes of any legal actions or proceedings brought by any party against the other party, the parties hereby irrevocably accept and submit to the exclusive

jurisdiction of the courts of the Province of British Columbia and acknowledge such courts' competence and the convenience and propriety of the venue and agree to be bound by any judgment of such courts and not to seek, and hereby waive, review of its merits by the courts of any other jurisdiction.

25.10 Rights and Remedies Cumulative

All rights and remedies under the Contract (other than those which are expressly specified in the Contract Documents as exclusive rights and remedies) are cumulative and are in addition to and not in substitution for any other rights or remedies available under the Contract or Law or at equity.

25.11 Survival

All representations and warranties of the Contractor to BC Hydro and all provisions of:

- (a) Section 11 of the Agreement;
- (b) GC.14;
- (c) GC.15;
- (d) GC.17;
- (e) each other provision of the Contract providing for indemnification of a party by the other party;
- (f) GC.19;
- (g) GC.24;
- (h) GC.25, with the exception of GC.25.3, which will not survive the termination, suspension, cancellation or expiration of the Contract; and
- (i) each other provision of the Contract which either expressly in accordance with its terms or by its nature survives the termination, suspension, cancellation, completion or expiration of the Contract,

including each other provision necessary for the interpretation or enforcement of such provisions, will continue as valid and enforceable obligations of the parties notwithstanding any termination, suspension, cancellation, completion or expiration of the Contract.

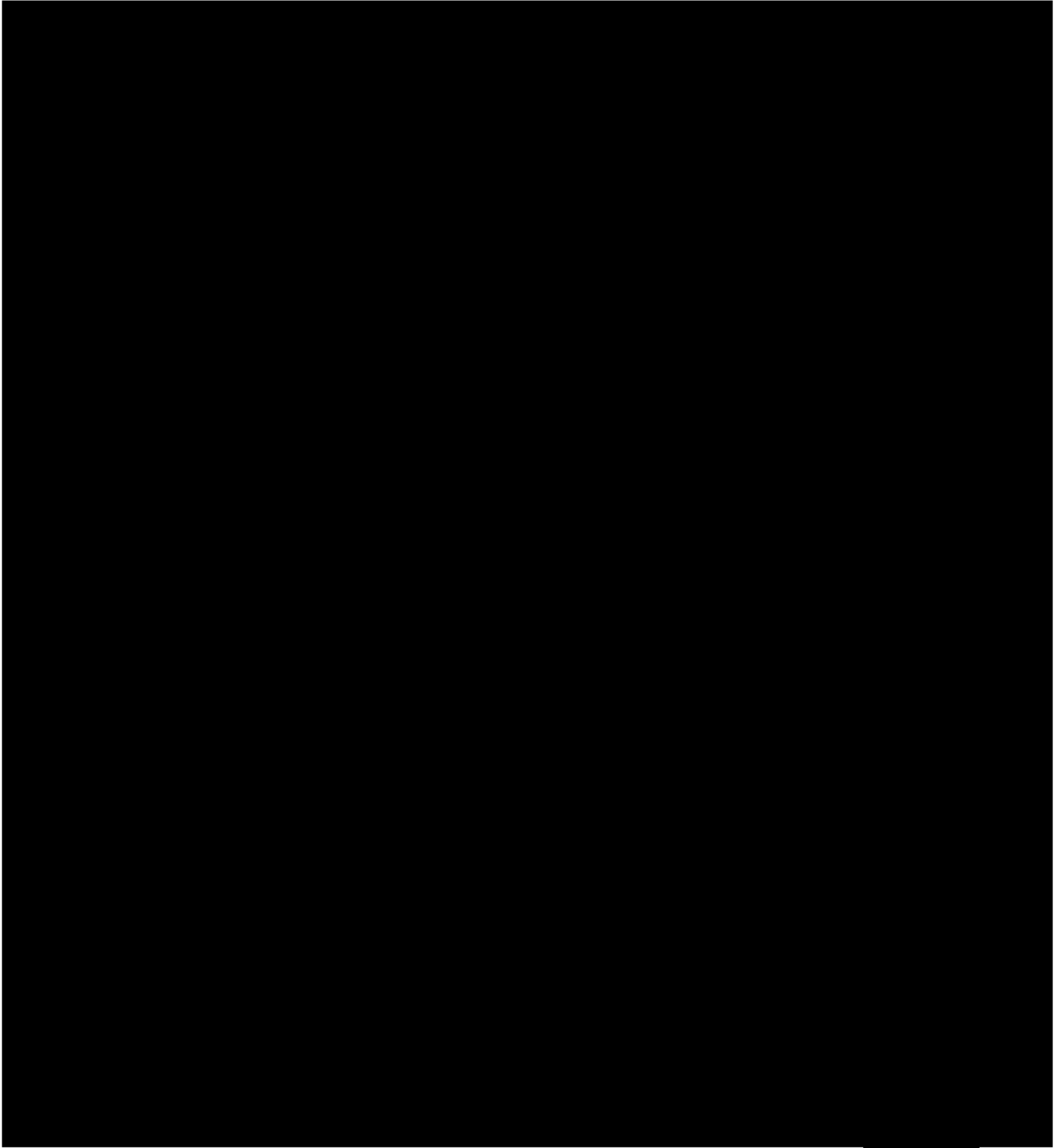


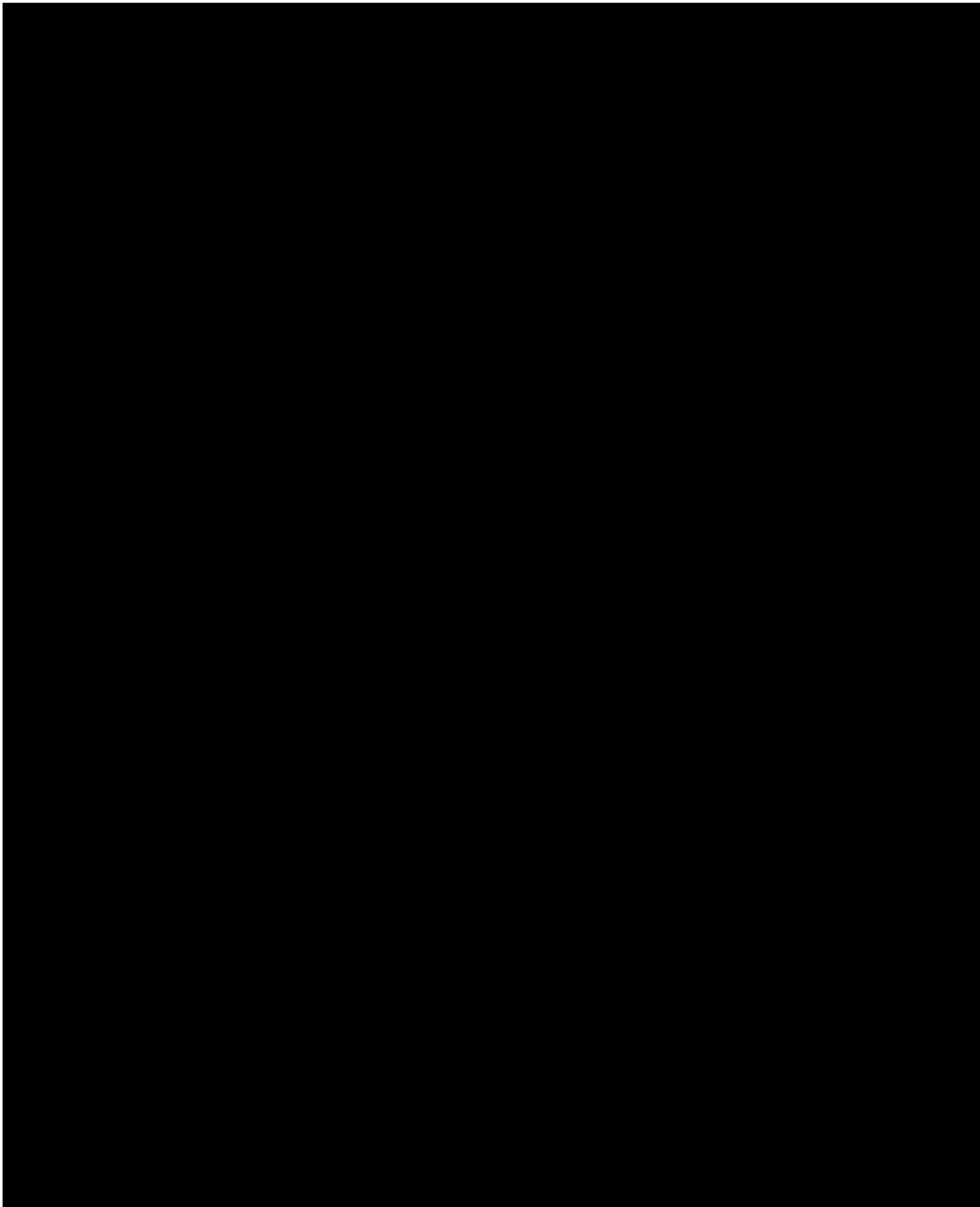
APPENDIX B – SUPPLEMENTARY GENERAL CONDITIONS**CONTENTS**

SGC1	COR Certification.....	78
SGC2	Project Related Permits	78
SGC3	Labour Workforce	79
SGC4	Insurance.....	80
SGC5	Bonding	85
SGC6	Site Safety	86
SGC7	Warranty.....	86
SGC8	Environmental.....	87
SGC9	Tests and Inspections.....	89
SGC10	Contract Price and Payment.....	89
SGC11	Key Personnel	89
SGC12	Subcontractors	90
	Exhibit B-1 Wrap-Up Liability Insurance Specifications	93
	Exhibit B-2 Course of Construction Insurance Specifications	95
	Exhibit B-3 Project Related Permits	97

SGC1 COR CERTIFICATION

The Contractor will attain and maintain, at all times when Work is being performed under the Contract, a valid certification issued under WorkSafeBC's COR – Certificate of Recognition program, or an alternative safety system certification acceptable to Hydro's Representative. The Contractor will provide evidence of such certification to Hydro's Representative before beginning the Work and from time to time on request.





SGC3 LABOUR WORKFORCE

The Contractor will perform the Work in accordance and in compliance with the requirements set out in Appendix M – Labour Workforce.



Failure to comply with the requirements of this SGC will be deemed to be a default under the Contract to which the provisions of GC.9.1 will apply.

SGC4 INSURANCE

GC4.19(e) is deleted. GC.16 is deleted in its entirety and replaced with the following:

“GC.16 INSURANCE

16.1 Contractor Provided Insurance Coverage

Without limiting any of the Contractor’s obligations or liabilities under the Contract and prior to commencing performance of the Work under the Contract, the Contractor will, at its sole cost and expense, obtain and maintain during the performance of the Work policies in respect of the following insurances:

- (a) Workers’ Compensation coverage for all employees engaged in the performance of the Work in accordance with the *Workers Compensation Act* (British Columbia);
- (b) Personal Optional Protection coverage available through the Workers’ Compensation Board of British Columbia for all employees engaged in the performance of the Work who are not covered by the *Workers Compensation Act* (British Columbia);
- (c) Commercial General Liability Insurance in an amount of [REDACTED] per occurrence, and annually in the aggregate with respect to Products and Completed Operations Liability. Such coverage to include, but not be limited to, Blanket Contractual Liability, including liability assumed under the Contract, Tortious Liability, Contractual Liability, Contractors Protective Liability, Non Owned Automobile Liability, Attached Equipment Cross Liability, Broad Form Property Damage Liability, Products and Completed Operations Liability, and, when applicable to the Work, Hook Liability, Sudden and Accidental Pollution Liability and Explosion, Collapse and Underground Damage Liability and Forest Fire Fighting Expense Liability, and, in any event, such Commercial General Liability Insurance will provide coverage not less than the insurance required by IBC Form 2100 or its equivalent replacement. The policy will name BC Hydro as additional insured in respect of liability arising out of the Contractor’s operations or its employees outside of the Contractor’s Work area, and will contain cross liability and severability of interest clauses, or equivalent wording;
- (d) Automobile Liability Insurance for owned, non-owned, leased, operated or licensed automobiles, trucks, trailers, tractors and all-terrain vehicles with limits of [REDACTED] for accidental injury to or death of one or more Persons or damage to or destruction of property as a result of one accident or occurrence;
- (e) Contractor’s Equipment/Property Insurance covering loss or damage to, or loss of use of, tools, property and equipment of the Contractor and its Subcontractors, if any, or for which the Contractor and its Subco.....r, ..

any, are legally liable or responsible, in an amount equal to the full replacement value of the tools, property and equipment (or on such other value basis as Hydro's Representative may approve). The policy will include a waiver of the insurer's rights of subrogation in favour of BC Hydro;

- (f) Cargo/Marine Cargo Insurance covering all insurable risks of loss or damage to equipment, parts and materials that comprise or are intended to comprise the Work, including the equipment. Such coverage to attach at the commencement of loading at the manufacturer's facility and be maintained throughout the course of transport, including while the insured property is in trans-shipment, customs or interim storage, until arrival at and completion of unloading at the Site. Such policy will be in an amount not less than the total replacement cost of the insured property, and the scope of coverage will be not less than that provided by the Institute Cargo Clauses ("All Risks") or equivalent, and will specifically include coverage for war, strikes, riots and civil commotions;
- (g) if aircraft or watercraft or both are used in connection with the Work, then the Contractor will carry Aircraft Liability and Watercraft Liability Insurance, as applicable, covering all aircraft and watercraft owned or non-owned and licensed by the Contractor with limits of liability of [REDACTED] for aircraft liability and [REDACTED] for watercraft liability, for bodily injury or death of one or more Persons or damage to or destruction of property as a result of one accident or occurrence;
- (h) Professional Liability Insurance with:
 - (i) an insured limit of [REDACTED] per occurrence and in the annual aggregate;
 - (ii) coverage to include, but not be limited to, liability of the Contractor in respect of any Claim arising out of any error, omission or negligent act, or breach of professional duty on the part of the Contractor, in the advice or services given or provided by the Contractor under the Contract;
 - (iii) a maximum deductible of [REDACTED] per occurrence; and
 - (iv) regard to the period of coverage, the Contractor will obtain and maintain professional liability insurance for the period described in GC.16.1 and, at the end of the aforementioned period will either:
 - (A) continue to maintain, or obtain and maintain a replacement policy with the same material terms as, such Professional Liability Insurance; or
 - (B) obtain and maintain a run-off professional liability insurance policy that provides substantially similar coverage as the Professional Liability Insurance;



- (i) such additional coverage as may be required by Law or by BC Hydro, or which the Contractor considers necessary.

16.2 BC Hydro Provided Insurance Coverage

Prior to the commencement of the Work at the Site and until the date of issuance of the certificate of Substantial Completion or any other additional period of time as required by the Contract Documents, BC Hydro will obtain and maintain the following insurance coverage:

- (a) Project specific "Wrap-up" liability insurance in an amount of not less than [REDACTED] per occurrence. This policy will have an aggregate limit of [REDACTED] with respect only to completed operations liability. This policy will also have sub-limits as described in Exhibit B-1 Wrap-Up Liability Insurance Specifications. The policy will have a per occurrence deductible of up to [REDACTED]. The policy will name BC Hydro as the insured and will include Other Contractors, the Contractor and the Subcontractors, project and construction managers, architects, engineers, and consultants, if any, while engaged in the Work and providing work or services with respect to the Project as additional insured and will contain cross liability and severability of interest clauses, or equivalent wording. The policy will maintain in force and effect an "Extended Completed Operations Liability" endorsement coverage for a period ending not earlier than 24 months after the earlier of (i) the date of issuance of the certificate of Total Completion, and (ii) termination of the Contract. For the purposes of this SGC4 Insurance "Extended Completed Operations Liability" means what is typically referred to as "Completed Operations Liability" in the insurance industry. BC Hydro's construction wrap-up liability coverage will be primary and non-contributory to the Contractor's Commercial General Liability Insurance for Work at the Site; and
- (b) Broad Form "Builder's Risk" insurance, on a replacement cost valuation basis, in an amount deemed appropriate by BC Hydro. The policy will have a per occurrence deductible as described in Exhibit B-2 Course of Construction Insurance Specifications. The policy will provide coverage on an "All Risks" basis, including perils of flood and earthquake, will name BC Hydro as the insured, and Other Contractors, the Contractor and the Subcontractors as additional insureds, including any person employed directly or indirectly by either or both the Contractor and Subcontractors to perform a part or parts of the Work and any other person employed directly or indirectly to perform work or services with respect to the Project. The policy will contain a waiver of insurer's rights of subrogation in favour of the Contractor and the Subcontractors.

The documents attached as Exhibit B-1 Wrap-Up Liability Insurance Specifications and Exhibit B-2 Course of Construction Insurance Specifications contain terms and conditions applicable to the insurances that BC Hydro is required to obtain and maintain pursuant to GC.16.2. In the event of a conflict between the terms and conditions contained in:

- Exhibit B-1 Wrap-Up Liability Insurance Specifications and the provision of Section 16.2(a) of this SGC4 Insurance; and

- Exhibit B-2 Course of Construction Insurance Specifications and the provisions of Section 16.2(b) of this SGC4 Insurance;

the terms and conditions of the applicable Exhibit will govern.

16.3 General Insurance Provisions

16.3.1 Requirements for Contractor Provided Insurance

The insurance provided by the Contractor will be provided in accordance with the following terms and conditions:

- (a) the Contractor will provide Hydro's Representative with evidence of compliance with the *Workers Compensation Act* (British Columbia) and coverage under that Act prior to commencement of performance of the Work, and the Contractor will:
 - (i) upon request, at any time, from Hydro's Representative, provide such evidence to Hydro's Representative within five days of such request; and
 - (ii) immediately notify Hydro's Representative in writing of any change with respect to such compliance or coverage;
- (b) certificates of insurance for the policies described in Section 16.2 of this SGC4 Insurance will be submitted to Hydro's Representative prior to commencement of performance of the Work;
- (c) copies of insurance policies described in Section 16.2 of this SGC4 Insurance will be submitted to Hydro's Representative within 14 days upon written request by Hydro's Representative;
- (d) all insurance provided by the Contractor will be considered primary, non-contributory and not excess to any insurance carried by BC Hydro, unless expressly stated otherwise in the Contract Documents;
- (e) all policies of insurance to be obtained by the Contractor in accordance with this Contract will be issued by financially sound insurers acceptable to BC Hydro, acting reasonably, and, where required by statute, licensed to insure such risk in British Columbia;
- (f) all insurance provided by the Contractor will contain endorsements confirming that the policy will not be cancelled, adversely reduced, adversely materially altered or adversely materially amended without the insurer(s) giving at least 30 days prior written notice by registered mail to BC Hydro;
- (g) all insurance provided by the Contractor will contain endorsements confirming that, in the event of cancellation for non-payment of premium, the insurer(s) will give at least 15 days prior written notice by registered mail to BC Hydro;



- (h) all insurance, except for automobile liability insurance and workers compensation insurance, provided by the Contractor will:
- (i) include BC Hydro and its directors, officers, employees and agents as additional insureds (but this requirement will not apply to equipment insurance described in Section 16.1(e) of this SGC4 Insurance);
 - (ii) contain a waiver of subrogation against BC Hydro and its directors, officers, employees and agents; and
 - (iii) contain a cross liability or severability of interest clause.

16.3.2 Minimum Amount No Limit on Recovery

All policy limits and types of insurance specified by the Contract to be obtained and maintained by the Contractor are the minimum policy limits and types of insurance that are to be provided. The Contractor will be solely responsible for determining whether the policy limits and types of insurance are adequate and for placing any excess insurance and any additional insurance which it considers necessary to protect and indemnify itself.

Subject to GC.18 Limitations of Liability, the Contractor will be liable to BC Hydro for all Claims and Claim Costs excluded by, or in excess of the policy limits of, applicable insurance policies.

16.3.3 BC Hydro's Right to Maintain

If, at any time, any insurance required to be obtained and maintained by the Contractor under the Contract has its policy limits reduced by the applicable insurance provider or the Contractor, from the policy limits required by the Contract, or is no longer in force, then, without limiting BC Hydro's rights in respect of any default that arises as a result of such occurrence, BC Hydro may, at its option, obtain and maintain the applicable insurance or portion of such insurance. In such event, BC Hydro may withhold and set-off the cost of insurance premiums expended for such insurance from any payments due to the Contractor.

16.3.4 Subcontractor Insurance

Without duplication of insurance coverage provided by BC Hydro, the Contractor will require all first tier Subcontractors to enter into an agreement with the Contractor containing provisions in the same form as those found in Section 16.1 of this SGC4 Insurance, as applicable to the Work being undertaken by such Subcontractors. The Contractor will provide to Hydro's Representative, upon request, certificates of insurance for the insurance policies the Contractor has obtained from such Subcontractors and a copy of the agreement entered into with such Subcontractors setting out the insurance requirements of such Subcontractors, without reference to commercial terms.



16.3.5 Deductibles

The Contractor will be responsible for the payment of all deductibles for the insurance policies described in this SGC4 Insurance, except with respect to damage arising out of the negligent acts or omissions of BC Hydro or any Person for whom BC Hydro is in law responsible (other than the Contractor and those engaged by or through the Contractor, including Subcontractors), BC Hydro will pay the proportion of the deductible that represents the proportionate fault of BC Hydro for the loss which gave rise to the damage.

Deductibles for insurance policies required under Section 16.1 of this SGC4 Insurance will be no more than [REDACTED], except as otherwise agreed by BC Hydro in writing.

16.3.6 Liability of Contractor

Neither the providing of insurance by BC Hydro or the Contractor in accordance with the requirements of this SGC4 Insurance, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim occurring will be held to relieve the Contractor from any other provisions of the Contract with respect to liability of the Contractor or otherwise.

16.3.7 Notice of Occurrence

Hydro's Representative and the Contractor's Representative will immediately notify, in writing, each other and the relevant insurer of any occurrence or incident likely to give rise to a claim under the policies or insurance coverage referred to in this SGC4 Insurance whether or not such occurrence or incident arises under the Contract, and of any other matter or thing in respect of which notice should be given by BC Hydro or the Contractor to the relevant insurers. In addition, both BC Hydro and the Contractor will give all such information and assistance as may be reasonably practicable in all the circumstances.

16.3.8 Claims Cooperation

With respect to any Claim against BC Hydro, whether insured or otherwise, the Contractor will cooperate with BC Hydro, BC Hydro's insurers, claims adjusters and other representatives to mitigate any impact of any investigations relating to the Claim on BC Hydro's operations, including the performance of the Work."

SGC5 BONDING

GC.8.1 is deleted in its entirety and replaced with the following:

"8.1 Performance and Payment Security

Within ten days of the Effective Date, or by such later date as Hydro's Representative may agree to in writing, and in addition to, and not in substitution for, the Performance Security Holdback, the Contractor will provide to BC Hydro a performance bond and a labour and material payment bond, [REDACTED], in the form and on the terms provided by BC Hydro. If approved by BC Hydro, in its sole discretion, including [REDACTED]

with respect to any conditions of such approval, then the Contractor may provide to BC Hydro a letter of credit and guarantee in the form and on the terms provided by BC Hydro and in an amount satisfactory to Hydro's Representative in substitution for the performance bond or the labour and material payment bond or both."

SGC6 SITE SAFETY

Delete the following GCs in their entirety: GC.13.1, GC.13.3, GC.13.4, GC.13.7, GC.13.8 and GC.13.9.

Add the following to GC.13:

- "(i) before commencement of any Work at the Site within the boundaries of the power system:
- (i) the Contractor will be responsible, at their cost, for ensuring employees and Subcontractors are trained in either or both the Power System Safety Protection ("PSSP") and/or Work Protection Practices ("WPP") Lockout Procedures, as applicable to the Work at the Project Site, and
 - (ii) Contractor will train in either or both, as applicable, PSSP procedures according to the level of knowledge set out in the PSSP Operating Orders and WPP Lockout Procedures to the category in BC Hydro's WPP Lockout Procedures required to perform the Work, any Persons to be performing all or any part of the Work who may reasonably be expected to come within the boundaries of the power system for any reason relating to or arising out of the performance of the Work.

BC Hydro may test the Persons referred to in paragraph (ii) on the PSSP procedures before they come within the boundaries of the power system and on the WPP Lockout Procedures before they commence any part of the Work at the Project Site."

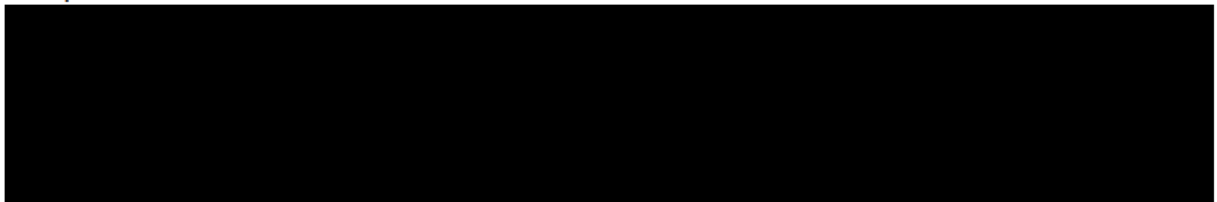
The Contractor can arrange for all PSSP training through Electrical Energy Training Group (EETG):

Telephone: 1-877-859-8228
 Email: registration@eetg.ca"

SGC7 WARRANTY

7.1 Length of Warranty

Replace GC.19.3 as follows:



7.2

SGC8 ENVIRONMENTAL

Replace GC.13.3 with the following:

“13.3 Hazardous Substances and Hazardous Products

The Contractor will not, and will ensure that the Subcontractors will not, use, store, transport, remove, dispose of or destroy any Hazardous Substances and Hazardous Products on the Site, except with the prior written approval of Hydro’s Representative. All Hazardous Substances and Hazardous Products used, stored, transported, removed, disposed of or destroyed will be dealt with in accordance with Law and the Contract Documents.”

Replace GC.13.4 with the following:

“13.4 Discovery of Hazardous Substances and Hazardous Products

If, in the performance of the Work, the Contractor discovers or encounters material on the Site which is, or which appears to be, a Hazardous Substance or a Hazardous Product that has not been identified in the Contract Documents, or is in receipt of information, which a reasonable person would consider reliable, that a Hazardous Substance or Hazardous Product may be encountered in the performance of the Work, then the Contractor will:

- (a) immediately stop Work in the affected area and give written notice to Hydro’s Representative; and

cooperate with Hydro’s Representative to determine the steps that should be taken to confirm whether the material is a Hazardous Substance, and, if necessary, the steps required to deal with the Hazardous Substance or Hazardous Product in a way that minimizes the risks to health and safety, the environment and delay to the Work, and upon the determination of such steps,

the Contractor will, as part of the Work, proceed to carry out such steps in compliance with Hydro's Representative's directions.

When encountered by the Contractor, the circumstances described in this GC.13.4 will entitle the Contractor to claim a Change pursuant to the provisions of GC.6.4, except that the Contractor's notice obligation under GC.6.4(a)(i) will be to give written notice of such claim to Hydro's Representative promptly upon the Contractor becoming aware of such Site conditions, or, in any event, promptly after the date when the Contractor should reasonably have become aware of such Site conditions.

Nothing in this section will be construed as imposing any liability on the Contractor with respect to Hazardous Substances or Hazardous Products that existed at the Site prior to the commencement of the Contractor's Work at the Site, including for the disposal of such Hazardous Substances, except to the extent that, after becoming aware of the existence of such pre-existing Hazardous Substances or Hazardous Products, the negligence of the Contractor, its employees and agents, its Subcontractors and its employees and agents, and any other Person whom Contractor is in Law responsible or any breach by the Contractor of its obligations under the Contract, including any failure to comply with the CEMP or the Environmental Requirements, causes, directly or indirectly, any aggravation, exacerbation, migration or other increase in the area or costs of dealing with any such pre-existing Hazardous Substances or Hazardous Products."

Replace GC.13.5 (a) with the following:

"13.5 Protection of the Environment

With respect to the protection of the environment, except as expressly set out otherwise in the Contract Documents:

- (a) the Contractor will:
- (i) submit 30 days prior to starting any element of Work, or by such later date as Hydro's Representative may agree to in writing, prepare and submit to Hydro's Representative an environmental protection plan (the "**Environmental Protection Plan**") satisfactory to Hydro's Representative, acting reasonably, that is based on the attached Appendix I – Environmental Requirements and takes account of GC.13.5(b), covering all aspects of the performance of the Work;
 - (ii) perform all Work in compliance with the CEMP
 - (iii) perform all Work in compliance with the site and/or activity specific Environmental Protection Plan; and

revise and submit to Hydro's Representative an updated Environmental Protection Plan as required to reflect any changes to environmental considerations with respect to the performance of the Work, to the satisfaction of Hydro's Representative, acting reasonably;"

SGC9 TESTS AND INSPECTIONS

Replace the first paragraph in GC4.20 with the following:

“Hydro’s Representative and Hydro’s Representative’s delegates will have access to the Work at all times, including Work being performed at a location other than the Site, for the purpose of testing, inspecting, and recording the Work by way of photographs or such other means as BC Hydro may decide, so as to remain familiar with the progress and quality of all aspects of the Work, and to be able to determine that the Work is proceeding in conformance with the requirements of the Contract Documents. With respect to all such tests and inspections.

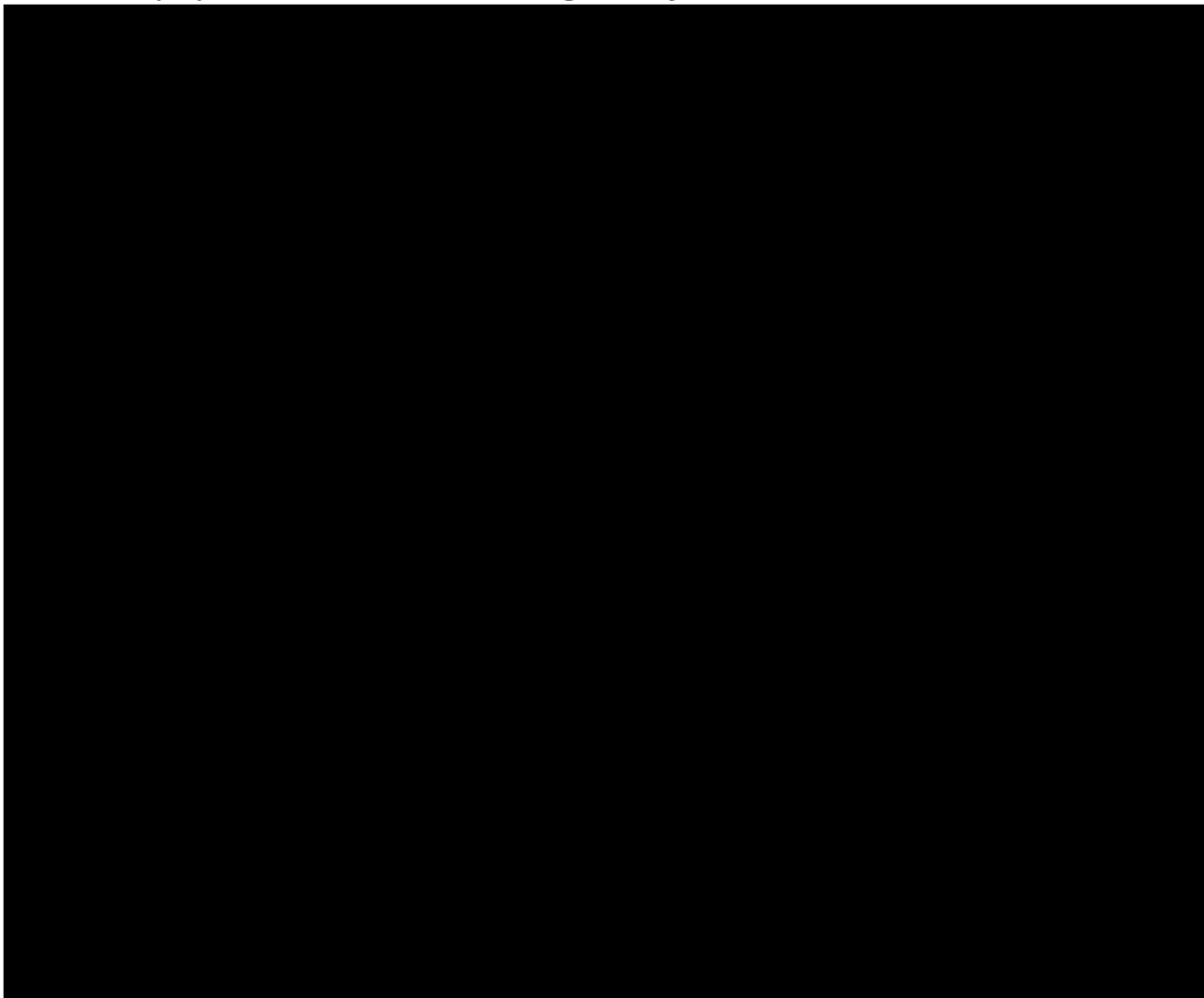
SGC10 CONTRACT PRICE AND PAYMENT

Add the following to the end of GC.5.3(a):

“BC Hydro, may at its discretion, require two Progress Payment Estimates based on discreet components of the work. In that event, the requirements of 5.3(a)(i) through (iv) will apply to each Progress Payment Estimate.”

SGC11 KEY PERSONNEL

For the purposes of GC.4.15 the following are Key Personnel:





SGC12 SUBCONTRACTORS

For the purposes of GC.4.14 (b) and (c), the following is a list of approved Subcontractors:

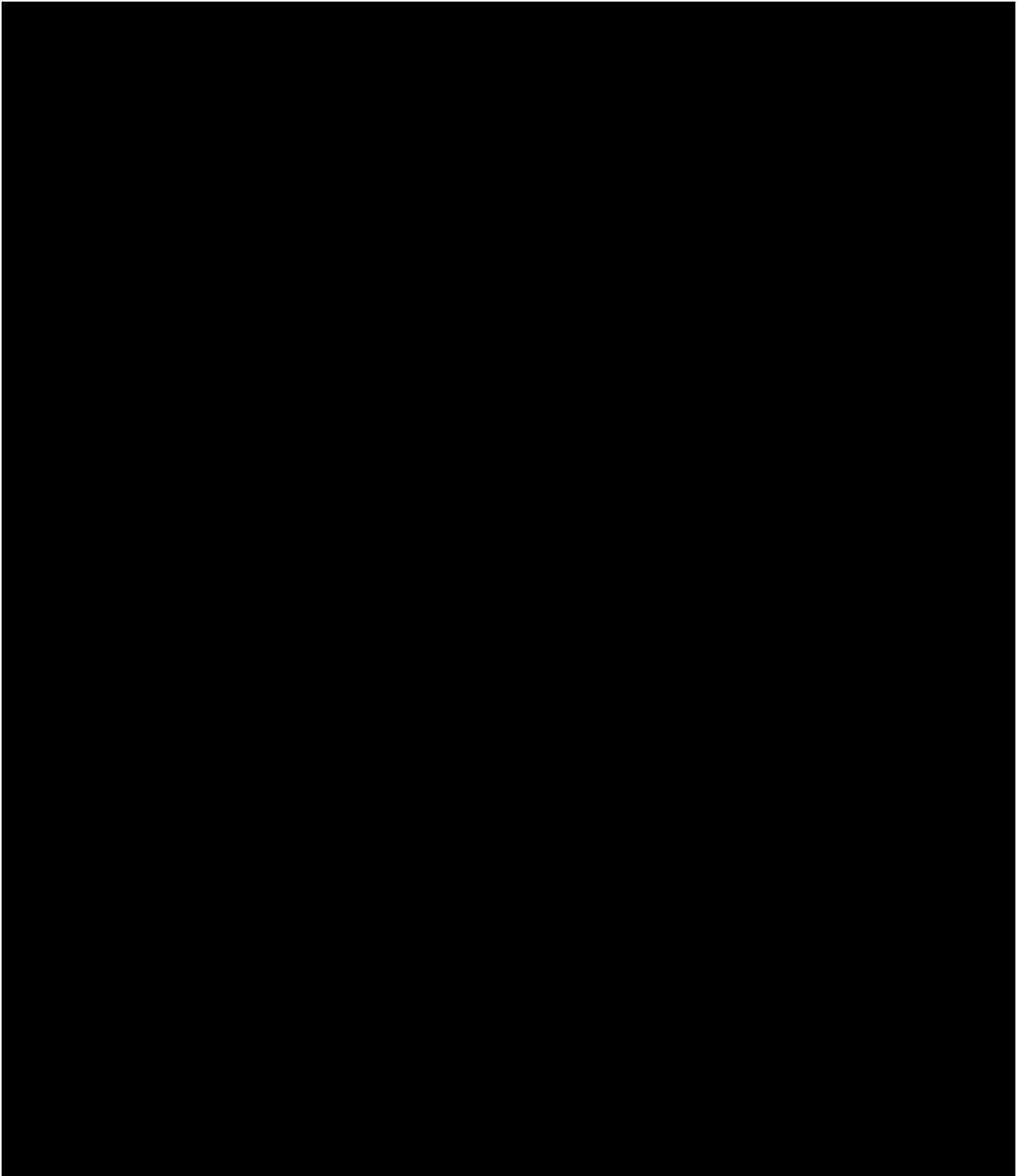


EXHIBIT B-3
PROJECT RELATED PERMITS

(provided as a separate file)



APPENDIX C – BC HYDRO’S POLICIES AND PROCEDURES

The following are BC Hydro’s Policies and Procedures which may be amended at any time and from time to time.

The Contractor is responsible to obtain and to comply with the most current form of such policies and procedures.

1. Contractor standards for ethical conduct
<https://www.bchydro.com/content/dam/BCHydro/customer-portal/documents/corporate/accountability-reports/openness-accountability/bch-contract-standards-for-ethical-conduct.pdf>
2. Safety Information for Contractors (Life Saving Rules, Safety Practice Regulations and Occupational Safety and Health Standards)
<https://www.bchydro.com/work-with-us/suppliers/doing-business-with-bchydro/contractor-safety.html>



APPENDIX D – SCOPE OF WORK

Construction of two new 75 kilometre, 500 kV transmission lines to connect the Site C substation to the 500 kV transmission system at the Peace Canyon Generating Station, and the modification of the existing 138 kV transmission system, including removal of two 138 kV transmission lines, to supply Fort St. John substation and Taylor substation from the Site C substation.

Refer to Appendix G – Specifications for more details.

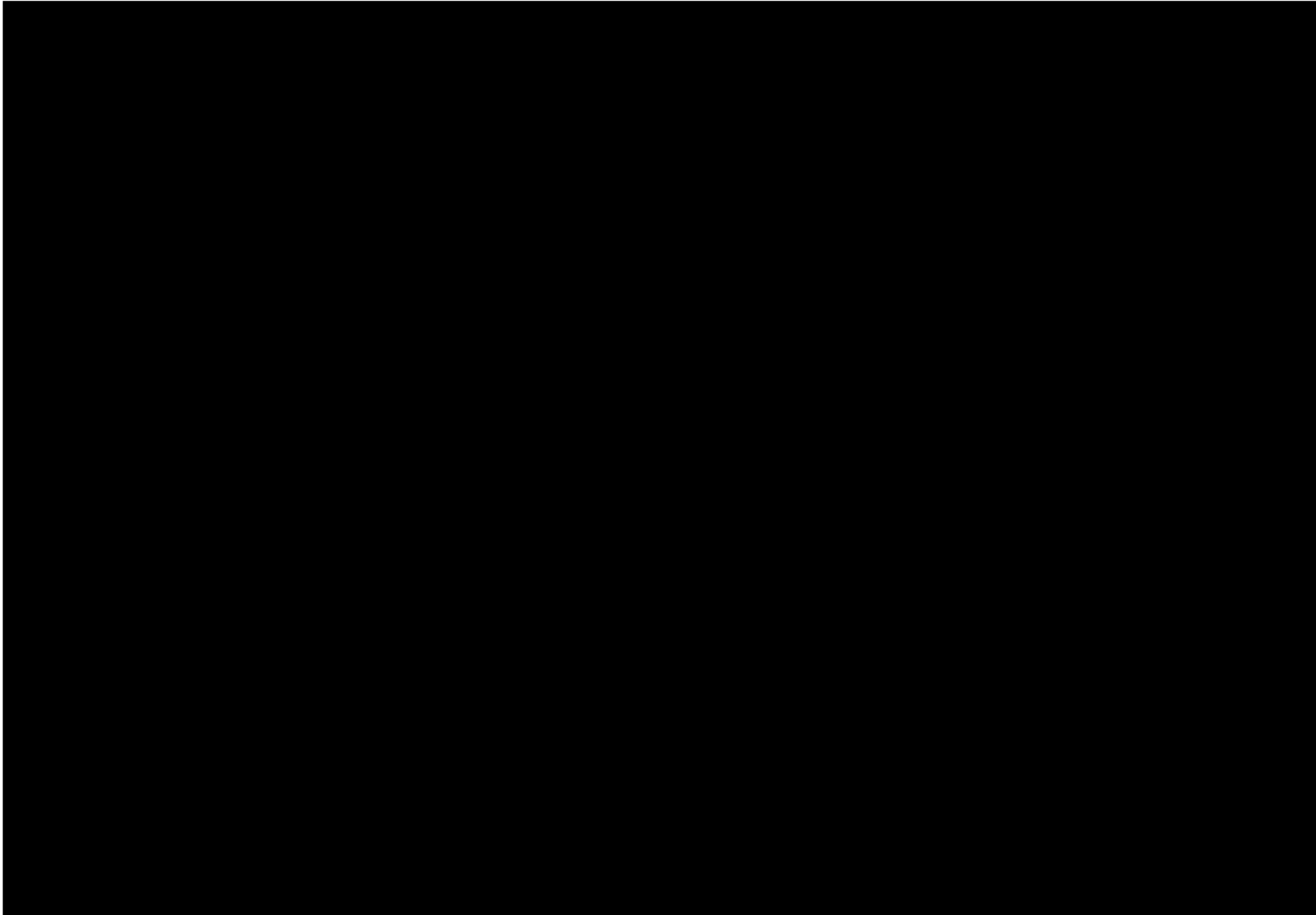
APPENDIX E – SCHEDULE OF QUANTITIES AND PRICES

1. All prices are:
 - (a) in Canadian currency; and
 - (b) will be deemed to include all applicable duties and all costs of performing the Work and all applicable taxes, except only GST.

2. The abbreviations in the Schedule of Quantities and Prices are defined as follows:

EA	each
km	kilometre
m ²	square metre
m ³	cubic metre
LS	lump sum
PS	provisional sum
SS	stipulated sum
YR	year

3. The BCO Release (R) # column indicates which BCO Release (1 or 2) each line item should be invoices against.

Contractor Recommended Solution:

APPENDIX H – SAFETY REQUIREMENTS

(provided as a separate file)



APPENDIX I – ENVIRONMENTAL REQUIREMENTS

(provided as a separate file)



APPENDIX J – QUALITY REQUIREMENTS

J1. General

The Contractor is responsible for the quality of the Work as required by the Contract Documents. The Contractor will implement an accepted Quality Plan to ensure that the Work meets all requirements and the intent of the Contract and provide adequate documentation proving due diligence. The accepted Quality Plan will be subject to audit by Hydro's Representative. Deficiencies found during the audit will be addressed in a timely manner to the conformance of the Contract.

The Contractor will facilitate access to the Site, services providers, manufacturing/fabrication facilities, etc. for Hydro's Representative to conduct quality inspections and audits as required. The Contractor will provide safe access when requested, and copies of all relevant quality records including the following:

- Contractor designed foundation records;
- issued for construction drawings, fabrication drawings and specifications;
- material qualification records and certificates;
- material procurement, mill certificates, fabrication records;
- delivery and installation procedures;
- certifications and qualifications, including of third party testing inspectors;
- process control charts;
- quality records as per accepted Inspection and Test Plans (ITPs);
- inspection and test results;
- procedures for special processes; and
- all other quality records compiled during the performance of the Work.

J2. Definitions

Quality Assurance (QA) is part of quality management focused on providing confidence that quality requirements will be fulfilled.

Quality Control (QC) is part of quality management focused on fulfilling quality requirements.

Quality Management (QM) is the coordinated activities to direct and control an organization with regard to quality. Direction and control with regard to quality generally includes establishment of the quality policy and quality objectives, quality planning, quality control, quality assurance and quality improvement.

Audit is a systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which audit criteria are fulfilled. It may cover quality, environment, health and safety or other activities.

Inspection is conformity evaluation by observation and judgement accompanied as appropriate by measurement, testing or gauging.

Procedures for Special Processes (e.g. welding) are documents describing a process where the conformity of the resulting product cannot be readily or economically verified.

Quality Manual is a document specifying the quality management system of an organization.

QA Plan is a QA document specifically designed for the Contract, supplementary to the QA Manual, and includes ITPs, responsibility matrix, QA milestones and outline of QA documents to be submitted per the Contract.

Review Point (R) – Means that the Contractor’s documentation and records will be available for verification at any time by Hydro’s Representative

Witness Point (W) – A critical step in construction, installation or testing where it is desirable that Hydro’s Representative inspects the material, equipment, activity, operation or workmanship in order to ascertain the Contractor’s compliance with the specified requirements. The operation or process may proceed with or without the presence of Hydro’s Representative as long as Hydro’s Representative was formally informed by the Contractor prior to start of the operation or process.

Hold Point (H) – A critical step in construction, installation or testing where it is essential that Hydro’s Representative inspects the items in order to ascertain that the material, equipment, activity, operation or workmanship of the Contractor complies with the specified requirements. The process may not proceed without the presence of the notified party. A Hold Point cannot be waived unless this has specially been confirmed in writing and accepted by Hydro’s Representative.

Document (D) – Means that the party conducting the activity or operation is responsible for ensuring the documentation meets the specifications and quality criterion.

Inspection and Testing – Means the inspection and testing performed by the Contractor’s QA Representative or by any third party or independent certified laboratory or agency engaged by the Contractor.

Any third party or independent testing laboratory engaged by the Contractor will be certified to CSA, ASTM, and other specified test methods for the sampling and testing of materials.

J3. Contractor’s Quality Representative

The Contractor will appoint and identify a full-time qualified Contractor’s Quality Representative to ensure that qualified resources are assigned to carry out inspections, perform and witness tests, in accordance with the accepted ITPs, to verify the conformity of each part of the Work in accordance with this Contract.

The performance of the Contractor’s Quality Representative duties will further include as a minimum:

- Monitor and ensure the proper implementation of the accepted Contractor’s Quality Plan to complete the Work.
- Ensure that the Work and materials supplied are conforming to the Contract requirements.
- Monitor and document, for traceability, the supplied and procured materials during installation.

- Observe and review all test and inspection activities, schedules, and reporting.
- Review all quality records/documentation, non-conformance reports, changes, and other documentation as required by Contract before submission to BC Hydro.
- Interface with other BC Hydro personnel regarding quality issues.
- Independently report any observed variances or non-conformance issues directly to BC Hydro and ensure the implementation of accepted corrective/preventive action.
- Review and confirm that all inspections, tests, non-conformities, changes, and other quality issues are documented in accordance with the Contract Documents, the accepted Contractor's ITPs.
- Maintain updated quality documents and records for review.
- Perform inspections and audits per the audit schedule.
- Participate in inspections and audits performed by Hydro's Representative.

The Contractor will appoint, as required, qualified inspectors to perform inspections, witness tests, document quality records, etc. in accordance with the accepted ITPs and ensure conformance to the Contract requirements.

J4. Contractor Quality Plan

Within 30 days of Contract award the Contractor will submit for acceptance by the Hydro's Representative a Contract specific Quality Plan that identifies all of the quality attributes of the Work. The Quality Plan will be updated to reflect ongoing changes and be submitted for acceptance to Hydro's Representative.

Other required information that is to be included:

- Quality Plan of the Contractor designed foundation Work.
- Quality Plan of the manufacturer and supplier of foundations.
- Identified ITPs for activities occurring at the shop.
- Identified ITPs for activities occurring at the Site.
- Qualification documents of the Contractor's Quality Representative(s).
- Special procedures.
- Detailed testing schedules for the Work.
- Responsibility chart for quality activities.
- List and details of the Contractor's foundation design.
- List and details of the Subcontractors.
- List and details of material suppliers.
- Qualifications for third party Inspectors (e.g. civil inspectors, welding inspectors, etc.).
- List of trade specialists engaged in performing procedures for special processes.
- Document/drawing control procedure.
- Remediation and non-conformance tracking procedure.
- Document/drawing control plan.
- Process for traceability of supplied and procured materials for the installation Work.
- Sample of recording document templates, including but not limited to forms, checklists proposed to be used by the Contractor in the execution of the Work.
- Contract specific templates to be submitted together with ITP document control procedure.

The following key elements of the Contractor's Quality Plan need special attention:

a. **Design Quality Plan**

The Contractor's foundation Design QA Plan will be submitted to Hydro's Representative for review and acceptance. It is to cover the entire scope of Work as applicable to the Contract, including Field Reviews. It is to comply with the APEGBC QM Guidelines.

b. **Inspection and Test Plans (ITP)**

ITPs will be submitted to Hydro's Representative for review and acceptance. The ITPs will cover the complete scope of Work including foundation design, procurement, manufacturing, factory testing, worker qualifications, Site installation activities related to material delivery, storage, inspections, geotechnical, civil and installation work, inspection and testing and final test and commissioning.


ITPs will identify whether they are for Work performed at the Site or at the shop.

The ITPs will include clear reference to the following information:

- Work scope.
- Parameters to be controlled/checked (test conditions).
- Control methods/equipment used for testing/inspection.
- Acceptance criteria.
- Control frequency (sampling rate).
- QC responsibility identification.
- QA responsibility identification.
- Name of Contractor's foundation designer/Subcontractor(s)/supplier(s).
- Reference documents.
- Quality records.
- Inspection Review, Witness and Hold Points for all possible witnesses (e.g. Contractor, Subcontractor, Contractor's foundation designer, third party inspectors, etc.).

- c. Attached (refer to Exhibit J-1) are sample ITPs for reference only and may be modified to suit the Contract requirements. Recording document templates, test forms, tables and checklists proposed to be used by the Contractor in the execution of his Work will be submitted together with the QA Plan and ITP. The Contractor is responsible to ensure that the required data and information are traceable and recorded in a timely and thoroughly as the Work progresses.

Exhibit J-1 contains sample QC Forms for reference only; they may be modified to suit the Contract requirements.

Exhibit J-2 contains samples of Project Test Summary (PTS) and F  reference only and may be modified to suit the Contract requirements

d. **Qualification Documents** of Contractor's Quality Representative(s), third party inspectors and trade specialists will be submitted together with the Quality Plan unless otherwise specified.

e. **Contractor's audit plan** detailing the scope of the inspection and audit, schedules of activities performed by the Contractor's foundation designer, Subcontractors, material suppliers, etc.

f. **Calibration Certificates**

Calibration certificates for critical tools, test equipment or devices.

g. **Special Fabrication and/or Test Procedures**

The Contractor will submit any procedures for special processes for manufacturing, fabrication, and testing for BC Hydro's acceptance at least 28 days prior to such Work being undertaken unless otherwise specified. In addition, the Contractor will supply, at no cost, any samples requested by Hydro's Representative for procedure analysis and test.

h. **Notice of Tests**

- Timely notice will be given to BC Hydro prior to each established ITP Review, Witness and Hold Points as identified below.
- For Work occurring at the supplier's facilities, notice for inspections and/or tests requiring Witness/Hold will be given to Hydro's Representative at least 14 days for Work to be done in Canada or minimum of 28 days for Work done outside of Canada.
- If timely notice has not been given to BC Hydro, BC Hydro may request the test to be repeated at the expense of the Contractor.

J5. **Non-Conformance Report (NCR)**

All non-conformances to the requirements of this Contract and the Contractor's quality system will be documented by the Contractor via Non-Conformance Reports (NCRs) as they occur.

The Contractor will investigate and document the root cause of the non-conformance, provide the proposed correction and corrective and preventive actions plans in the NCR and obtain acceptance from Hydro's Representative of the proposed corrective action plan.

BC Hydro will require critical (e.g. variation in – material, process, product, documentation, etc.) NCRs are to be submitted to Hydro's Representative for review and acceptance of the proposed corrective actions.

The Contractor will make all possible arrangements to immediately rectify and correct the non-conformance such that the Work is in conformance with the Contract requirements and the NCR may then be closed. The Contractor will provide quality records and photo documentation together with the NCR to confirm the before and after status of the non-conformance.

- Identify where the defect identified does not meet the specification requirements.
- Adequate details of the non-conformance and root cause for review. Identify potential remedial action by the Contractor.
- Review and acceptance of the Contractor's proposed remedial action by Hydro's Representative. Where design issues are involved the Professional of Record (PoR) must accept the proposed remedial action.
- Execution of the accepted remedial action complete with appropriate quality records and photo documentation by the Contractor. Hydro's Representative (and the PoR where applicable) and the Contractor Quality Representative will provide confirmation and verification that the Work is in conformance with the Contract requirements by closing the NCR.
- Hydro's Representative's acceptance of completed correction.
- Closed NCRs will form part of the Completion QA Report.

J6. Quality Inspection and Audit by Hydro's Representative

Any quality inspection and audit activities carried out by the Hydro's Representative separately or in conjunction with the Contractor will in no way relieve the Contractor of full responsibility for the quality, character or performance of the completed Work.

- a. Design quality for foundation work will be audited during the various stages of Work. The Contractor will be notified of the audit. Hydro's Representative will be provided with access to the design and quality records.
- b. Materials and components procured and supplied by the Contractor will be subject to review and acceptance by Hydro's Representative. A complete technical specification will be furnished to Hydro's Representative.
- c. Shop inspections and audits may be performed by Hydro's Representative at any time during the execution of the Work. Hydro's Representative will give the Contractor notice of the inspection or audit. Hydro's Representative will have safe access to the Work at all times. If a part of the Work is in preparation at locations other than the shop, access will be given to such Work whenever it is in progress and the Contractor will arrange safe access for such inspection and audit.
- d. Site inspections and audits may be performed by Hydro's Representative at any time during the execution of the Work. Hydro's Representative will give the Contractor notice of the inspection or audit. Hydro's Representative will have safe access to the Work at all times.
- e. Hydro's Representative may employ independent inspection and testing agencies. This agent of BC Hydro will be afforded the same facilitation provided to Hydro's Representative.
- f. The Contractor will provide the corrective measures, correct the defects and irregularities as advised by Hydro's Representative at no additional cost to BC Hydro. The Contractor will pay all costs for re-testing and re-inspection.
- g. Hydro's Representative may order any part of the Work to be examined if the Work is suspected to be not in accordance or conformance with the Contract. If

upon examination such Work is found not in accordance or conformance with the Contract, the Contractor will correct such Work to comply with the Contract requirements and pay the cost of inspection and correction.

- h. Hydro's Representative may elect to furnish to the Contractor a copy of the test results undertaken by BC Hydro's third party inspection agency, should the Contractor request them.

J7. Contractor's Quality Records

The Contractor will submit on a monthly basis, or as required by the Contract, the completed quality records during the execution of the Work in accordance with the accepted ITP.

Quality records will be factual records containing numerical data of the Work and a record of QC activity results.

- a. Quality records as per accepted ITP.
- b. The Contractor's Quality Representative will review, and sign all quality records.
- c. Summary of NCRs and deficiencies list.
- d. Certified Test Reports will specify the following test condition details:
 - Type of test and objective of testing.
 - Specified requirements and standards.
 - Test standard reference.
 - Organization executing the test.
 - Dates of sampling, testing and reporting.
 - Test equipment.
 - Test results.
 - Acceptance/rejection limits.
 - Remarks regarding conformance with the Contract requirements.
 - Reviewed and signed by the Contractor's Quality Representative.

J8. Deficiencies and Defects

The Contractor will document deficiencies and defects identified during the execution of the Work. The Contractor will correct any defects and irregularities identified during inspections at no additional cost to BC Hydro. The Contractor will pay all costs for re-testing and re-inspection.

The Contractor will maintain a punch list (template will be provided by Hydro's Representative) for the duration of the Contract to manage items that are incomplete and include the tasks identified as a result of accepted Corrective Action Plans. The punch list will be submitted to Hydro's Representative for review and acceptance on a monthly basis. Punch list items not resolved prior to the application for Substantial Completion will be considered a deficiency and GC.5.13 will apply. Additional deficiency items may be added at the time of application for Substantial Completion by the Contractor and/or Hydro's Representative. The Contractor is to sign the certificate of

Substantial Completion as “accepted” prior to issuance of the certificate of Total Completion by Hydro’s Representative.

J9. Contractor’s Ongoing Quality Reports

The Contractor will maintain Quality Reports during the execution of the Work in accordance with the accepted Quality Plan and ITP. Quality reports will be factual records containing numerical data of the Work and quality control activities, including traceability. The Contractor will submit Quality reports on accepted forms.

J10. Contractor’s Completion Quality Report

The Contractor will submit for acceptance to Hydro’s Representative a Completion Quality Report within 21 days after completion of the Work. The completion Quality Report will be certified by the Contractor’s Quality Representative. The Contractor will submit two paper copies and one electronic copy. The copies must be properly labelled with complete Project information.

All test reports included in the completion Quality Report will be readable and self-explanatory in English, to the extent that the test conditions as recorded can be duplicated without difficulty at a later date. The Contractor’s completion quality report will be a compilation of quality documents recorded during the execution of the Work including as applicable, but not limited to:

- Accepted Quality Plans and ITPs (final revisions).
- Contractor’s Inspection and Audit reports.
- Contractor’s foundation designer’s field review reports.
- Material receiving and inspection records.
- Material procurement, fabrication and test reports of the Contractor supplied materials.
- All of the quality records as per accepted ITPs.
- Closed NCRs.
- Closed deficiencies list.
- Completed and closed BC Hydro’s inspection and audit reports.
- Progress photo documentation (digital and labelled).

Each document within the completion quality report will be clearly traceable to the actual components of the Work to which they apply and to the appropriate ITP activity

