

REQUESTOR NAME: **BCOAPO**
INFORMATION REQUEST ROUND NO: **1**
TO: **FortisBC Inc.**
DATE: **August 18, 2016**
APPLICATION NAME: **FortisBC Inc. – CPCN
Application for Replacement of
the Corra Linn Dam Spillway
Gates**

1.0 Reference: Exhibit B-1, page 10 (lines 27-30)

- 1.1 Does FortisBC receive any compensation from BC Hydro based on the fact that it is the Corra Linn Dam (owned by FortisBC) which enables BC Hydro's Kootenay Canal Generating Station to operate?
- 1.2 If yes, what is the basis for the compensation?

2.0 Reference: Exhibit B-1, page 13 (lines 2-4)

- 2.1 Apart from routine maintenance, has there been any major refurbishment undertaken of either the spillway gates or the steel superstructure since their initial installation?
- 2.2 If yes, please indicate what refurbishment has been undertaken, what the costs were and when it occurred.

3.0 Reference: Exhibit B-1, page 16 (lines 25-27)

- 3.1 Please describe the process by which the "consequence category" for a dam like Corra Linn is established and who specifically establishes the rating.

4.0 Reference: Exhibit B-1, page 17 (lines 5-6)

- 4.1 Please describe the process by which the "design earthquake values" for a specific facility is established and who specifically develops the values.

**5.0 Reference: Exhibit B-1, page 23 (lines 8-15)
Exhibit B-1, page 26 (line 21) – page 27 (lines 6)
Exhibit B-1, pages 30 – 31 and pages 34-35**

Preamble: It is noted that the inspections performed in early 2016 only involved three of the 14 spillway gates.

- 5.1 Why were inspections not undertaken of all 14 spillway gates?

- 5.2 Does the limited number of gates inspected create any additional risks regarding the scope of work required under the Gate Refurbishment alternative and the associated capital cost estimate?
- 5.3 If yes, have the effects on the risks associated with the scope of work actually required and the associated capital costs been accounted for in the contingency allowances used for Alternative 3 (per Table 4-2)?
- 6.0 Reference: Exhibit B-1, page 31 (lines 7-27)**
- 6.1 For each of the disadvantages in terms of project risks noted for Alternative 3, explain why the risk is greater under Alternative 3 than Alternative 4.
- 7.0 Reference: Exhibit B-1, page 31 (lines 33-34)**
- 7.1 Please confirm which three Project Technical Criteria Alternative 3 is considered to achieve.
- 8.0 Reference: Exhibit B-1, page 35 (Table 4-2)
Exhibit B-1, page 61 (lines 24-25)**
- 8.1 How did FortisBC determine that the BC CPI was the appropriate inflation rate to use for all costs associated with the Project?
- 8.2 Is there any provision in the contingency allowances for inflation being higher?
- 9.0 Reference: Exhibit B-1, page 36 (line 9) - page 37 (line 16)**
- 9.1 What was the discount rate used to establish the NPV values for the 2032 and 2045 replacements?
- 10.0 Reference: Exhibit B-1, page 45 (lines 2-10)
Exhibit B-1, page 51 (lines 16-24)
Exhibit B-1, page 59 (Table 6-1)
Exhibit B-1, page 61 (lines 3-16)**
- 10.1 Does the choice of contracting approach (i.e., alliance agreement versus design build tender) affect whether the risk responsibility (per page 51) resides with FBC or the Contractor?
- 10.2 If so, please indicate which approach results in more risk responsibility for FBC.
- 10.3 If so, how was this accounted for in establishing the Contractor's costs versus FBC Owner's costs and contingency allowances in Table 6-1?

10.4 Does the choice of contracting approach impact the estimated overall cost of the project and, if so, how was this accounted for in establishing the overall project costs set out in Table 6-1?

11.0 Reference: Exhibit B-1, page 57 (lines 9-18)

11.1 Does the fact only three spillway gates were inspected impact at all on either the likely accuracy of the cost estimate for Alternative 4 or other project risks associated with Alternative 4?

11.2 If yes, have these been accounted for in the project cost contingency (per Table 6-1)?

11.3 If yes, why were more spillway gates not inspected?