Addendum RFP-2
Issued January 24, 2005

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<tr><th rowspan="2">Addendum #</th><th colspan="2">RFP Reference</th><th rowspan="2">Original Text</th><th rowspan="2">Revised Text
(deletions are struckout;
changes / additions are highlighted)</th></tr>
<tr><th>Volume #</th><th>Section #</th></tr>
<tr><td>RFP-2.1</td><td>1</td><td>Section 1.6
(Table 2)</td><td>

Table 2

Anticipated Timetable for the Consultation and Selection Process

Activity	Date
Workshops	
• Workshop A - Risk Allocation and Technical Issues	**Early December, 2004**
• Workshop B – Commercial Issues and Draft Concession Agreement	**Late January, 2005**
• Workshop C - Revised Concession Agreement	**Mid-March, 2005**
Proponents submit Proposed Amendments to the Draft Concession Agreement	**During first week of January, 2005**
Revised Concession Agreement issued	**Early March, 2005**
Proponents submit Proposed Amendments to the Revised Concession Agreement	**March, 2005**
Definitive Concession Agreement issued	**April, 2005**
Closing Time for Proposals	**May 12, 2005**
Announcement of Preferred Proponent	**Summer 2005**
Execution of Concession Agreement/Financial Close	**Fall 2005**

Note: All dates are subject to change, in the Province's discretion.

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Anticipated Timetable for the Consultation and Selection Process

Activity	Date
Workshops	
• Workshop A - Risk Allocation and Technical Issues	**Early December, 2004**
• Workshop B – Commercial Issues and Draft Concession Agreement	**~~Late January, 2005~~ Late February, 2005**
• Workshop C - Revised Concession Agreement	**~~Mid-March, 2005~~ Early April, 2005**
Proponents submit Proposed Amendments to the Draft Concession Agreement	**~~During first week of January, 2005~~ March 2, 2005**
Revised Concession Agreement issued	**~~Early~~ Late March, 2005**
Proponents submit Proposed Amendments to the Revised Concession Agreement	**~~March~~ April, 2005**
Definitive Concession Agreement issued	**~~April~~ Early May, 2005**
Closing Time for Proposals	**~~May 12~~ June 15, 2005**
Announcement of Preferred Proponent	**Summer 2005**
Execution of Concession Agreement/Financial Close	**Fall 2005**

Note: All dates are subject to change, in the Province's discretion.

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Addendum #	RFP Reference		Original Text	Revised Text (deletions are struckout; changes / additions are highlighted)
	Volume #	Section #		
RFP-2.2	1	Section 5.3	**5.3 Geotechnical Investigations by the Owner During Proposal Period** The Province will consider undertaking a limited amount of drilling, sampling and testing and seismic refraction surveys at locations requested by Proponents. Since weather and daylight conditions will hamper field-work, site activities will be limited to the period after January 31, 2005. The Province does not warrant that any or all investigations will be undertaken or that any or all investigations undertaken will be completed as required or planned and reserves the right, in its discretion, to suspend, temporarily or permanently, investigations at any time. Requests for such surveys should be provided by RFI to the Contact Person no later than January 18, 2005.	**5.3 Geotechnical Investigations by the Owner During Proposal Period** The Province will consider undertaking a limited amount of drilling, sampling and testing and seismic refraction surveys at locations requested by Proponents. Since weather and daylight conditions will hamper field-work, site activities will be limited to the period after January 31, 2005. The Province does not warrant that any or all investigations will be undertaken or that any or all investigations undertaken will be completed as required or planned and reserves the right, in its discretion, to suspend, temporarily or permanently, investigations at any time. Requests for such surveys should be provided by RFI to the Contact Person no later than ~~**January 18**~~, **January 31**, 2005.

RFP-2.3	1	Appendix 1C Section 3.3	**3.3 Traffic Volume Payment**
			
			The Traffic Volume Payment will be directly linked to the number of vehicles passing measuring points on the Highway (in both directions) in each year. The Traffic Volume Payment will be made on a per Passenger Vehicle Equivalent basis, with heavy vehicles given more weighting than other vehicles. The Concessionaire will be required to count all vehicles.
			
			Traffic Volume Payments will be made on a banded basis. The Concession Agreement will define up to five traffic bands specifying the upper and lower limits of vehicle usage in each band. The Concessionaire is required to provide the relevant payment per Passenger Vehicle Equivalent for each band in its Proposal except for the upper most band, which will receive no payment per Passenger Vehicle Equivalent.
			
			In setting the payment per Passenger Vehicle Equivalent for each band, the Proponent should ensure that the structure they propose:
			
			• does not provide for a guaranteed Traffic Volume Payment; and
			
			• that the Traffic Volume Payment varies to such an extent as to demonstrate that the Concessionaire is assuming traffic risk. In order to achieve this, the Concessionaire will be required to structure the per Passenger Vehicle Equivalent payments such that:
			
			  • a 1% decrease in traffic volume, measured in PVE, will result in at least a 0.5% decrease in the Traffic Volume Payment; and
			
			  • with no Traffic Volume Payment, the return to shareholders will be lower than the Concessionaire's cost of long-term debt as set out in the Financial Model.
			
			The actual Traffic Volume Payment will be determined by the number of Passenger Vehicle Equivalents falling with in each band, multiplied by the proposed rate for that band, indexed at the rate set out in the Concessionaire's Proposal.
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				The Traffic Volume Payment will be directly linked to the number of vehicles passing measuring points on the Highway (in both directions) in each year. The Traffic Volume Payment will be made on a per Passenger Vehicle Equivalent basis, with heavy vehicles given more weighting than other vehicles. The Concessionaire will be required to count all vehicles.
				
				Traffic Volume Payments will be made on a banded basis. The Concession Agreement will define up to five traffic bands specifying the upper and lower limits of vehicle usage in each band. The Concessionaire is required to provide the relevant payment per Passenger Vehicle Equivalent for each band in its Proposal except for the upper most band, which will receive no payment per Passenger Vehicle Equivalent.
				
				~~**In setting the payment per Passenger Vehicle Equivalent for each band, the Proponent should ensure that the structure they propose:**~~
				
				~~**does not provide for a guaranteed Traffic Volume Payment; and**~~
				
				~~**that the Traffic Volume Payment varies to such an extent as to demonstrate that the Concessionaire is assuming traffic risk. In order to achieve this, the Concessionaire will be required to structure the per Passenger Vehicle Equivalent payments such that:**~~
				
				~~**a 1% decrease in traffic volume, measured in PVE, will result in at least a 0.5% decrease in the Traffic Volume Payment; and**~~
				
				~~**with no Traffic Volume Payment, the return to shareholders will be lower than the Concessionaire's cost of long-term debt as set out in the Financial Model.**~~
				
				The actual Traffic Volume Payment will be determined by the number of Passenger Vehicle Equivalents falling with in each band, multiplied by the proposed rate for that band, indexed at the rate set out in the Concessionaire's Proposal.

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	Volume #	Section #		
RFP-2.4	1	Appendix 1F Section 4.2.2	**4.2.2 Price Proposal Submission Requirements** Proponents must provide a completed Payment Schedule Form below. This proposed schedule will change in accordance with changes in the Payment Mechanism. The highest Annual Availability Payment proposed for a year may not be more than 20% higher than the lowest Annual Availability Payment proposed in any other year. The Traffic Volume Payment rate per Passenger Vehicle Equivalent proposed for each successive band must be less than the rate proposed for the previous band (i.e., the rate for Band no. 2 must be lower than the rate for Band no. 2). The number of Passenger Vehicle Equivalents in each band is provided in the Concession Agreement.	**4.2.2 Price Proposal Submission Requirements** Proponents must provide a completed Payment Schedule Form below. This proposed schedule will change in accordance with changes in the Payment Mechanism. The highest Annual Availability Payment proposed for a year may not be more than 20% higher than the lowest Annual Availability Payment proposed in any other year. The Traffic Volume Payment rate per Passenger Vehicle Equivalent proposed for each successive band must be less than the rate proposed for the previous band (i.e., the rate for Band no. 2 must be lower than the rate for Band no. 1 ~~2~~). The number of Passenger Vehicle Equivalents in each band is provided in the Concession Agreement. In setting the payment per Passenger Vehicle Equivalent for each band, the Proponent should ensure that the structure they propose: • does not provide for a guaranteed Traffic Volume Payment; and • that the Traffic Volume Payment varies to such an extent as to demonstrate that the Concessionaire is assuming traffic risk. In order to achieve this, the Concessionaire will be required to structure the per vehicle payments such that: • a 1% decrease in traffic volume on a per Passenger Vehicle Equivalent basis will result in at least a 0.5% decrease in the Traffic Volume Payment, except in the case of the top band (consisting of the highest number of Passenger Vehicle Equivalents); and • with no Traffic Volume Payment, the return to shareholders will be lower than the Concessionaire's cost of long-term debt as set out in the Financial Model.

Addendum #	RFP Reference		Original Text	Revised Text (deletions are struckout; changes / additions are highlighted)
	Volume #	Section #		
RFP-2.5	1	Appendix 1F Section 7.2.5	**7.2.5 Aesthetics and Landscape Design Report** The Aesthetics and Landscape Design Report must, at a minimum, include the following: • a brief description of how aesthetics and visual quality will be considered in this project and how Phase 2 will be integrated into the area setting. The Proponent must provide a narrative and illustrations that clearly address the evaluation criteria contained under the aesthetics component in Appendix 1G; • a brief description of the specific elements of the landscape design with details necessary for the reviewer to assess the plan, including how re-vegetation requirements will be developed and implemented for both functional, e.g., erosion control, and aesthetic purposes; • a description of how bridge aesthetics are accounted for in the bridge configuration and surface finishes; • a needs analysis outline, showing how factors such as utility services, road access, site features, traffic volumes, etc. will be considered and how they may influence the provision of roadside amenities; • plans showing access to and potential co-development of the joint-use rest area and Rafter's Pullout; • plans showing proposals for any other points of interest, lookouts etc that the Proponent may propose.	**7.2.5 Aesthetics and Landscape Design Report** The Aesthetics and Landscape Design Report, which should not exceed 10 pages, must, at a minimum, include the following: • a brief description of how aesthetics and visual quality will be considered in this project and how Phase 2 will be integrated into the area setting. The Proponent must provide a narrative and illustrations that clearly address its approach to the treatment of the Phase 2 ~~evaluation criteria contained under the~~ aesthetics ~~component in Appendix 1G~~ issues; • a brief description of the specific elements of the landscape design with details necessary for the reviewer to assess the plan, including how re-vegetation requirements will be developed and implemented for both functional, e.g., erosion control, and aesthetic purposes; • a description of how bridge aesthetics are accounted for in the bridge configuration and surface finishes; • a needs analysis outline, showing how factors such as utility services, road access, site features, traffic volumes, etc. will be considered and how they may influence the provision of roadside amenities; • plans showing access to and potential co-development of the joint-use rest area and Rafter's Pullout; • plans showing proposals for any other points of interest, lookouts etc that the Proponent may propose.
RFP-2.6	1	Appendix 1G, PART ONE Paragraph (b)	**b)** Traffic forecasts — The Traffic Volume Payments will be calculated utilizing a range of standardized traffic forecasts. The NPV of the likely Enhanced Service Period Payments over the Term will be calculated using not only the Province's traffic forecast but the Province's estimates of high and low case traffic scenarios. The same traffic scenarios will be used in the calculation of the NPV for each individual Proponent's financial submission. In calculating the NPV it is anticipated that the Province's financial advisors will utilize a stochastic modeling approach to determine the most likely and the range of NPVs from each Proponent's financial submission.	**b)** Traffic forecasts — The Traffic Volume Payments will be calculated utilizing a range of standardized traffic forecasts. The NPV of the likely Enhanced Service Period Payments over the Term will be calculated using ~~not only~~ the Province's ~~traffic forecast but the Province's~~ estimates of expected high and low case traffic scenarios based on the Province's traffic report. The same traffic scenarios will be used in the calculation of the NPV for each individual Proponent's financial submission. In calculating the NPV it is anticipated that the Province's financial advisors will ~~utilize a stochastic modeling approach~~ use sensitivity analysis to determine the ~~most likely~~ expected value and ~~the~~ range of NPVs from each Proponent's financial submission.