

Schedule 7

Phase 2 Commercially Confidential Meetings Submissions

SCHEDULE 7 TO THE RFP

PHASE 2 COMMERCIALLY CONFIDENTIAL MEETINGS SUBMISSIONS

SECTION 1 - GENERAL

(1) As set out in the RFP, Commercially Confidential Meetings have been included as part of the RFP Process. To aid in discussions at the Phase 2 Commercially Confidential Meetings, Respondents are requested to submit Phase 2 CCM Submissions as set out in detail in the charts attached to this Schedule 7 (and as posted in the Data Room with respect to Respondent-Specific Design Readiness Questions), by the deadlines set out in the Timetable.

(2) For Phase 2 of the RFP Process, Respondents are asked to submit two sets of Commercial CCM Submissions and two sets of Design Readiness CCM Submissions (for a total of four sets of CCM Submissions). Each set of Phase 2 CCM Submissions is scheduled to be provided by the Respondent in advance of one of the Phase 2 Commercially Confidential Meetings (as set out in the Timetable).

(3) Respondents acknowledge and agree that CCM Submissions will not be evaluated by the Evaluation Committee, nor will they be taken into account when reviewing and evaluating the Respondent's Phase 2 Proposal Submission. Respondents are also reminded of the non-binding nature of the Commercially Confidential Meetings as set out in the RFP.

(4) Respondents acknowledge and agree that some information similar to information already contained in a Respondent's CCM Submission may have to be submitted again if it is a requirement for the Phase 2 Proposal Submission. In such circumstances the Respondent must still submit the required information as part of its Phase 2 Proposal Submission and cannot rely on the fact that the same or similar information was submitted as part of a CCM Submission. This is particularly the case for Design Readiness CCM Submissions.

(5) Respondents are requested to organize their Phase 2 CCM Submissions under the same headings and section numbers as those used in Chart A and Chart B attached to this Schedule 7 and in the Respondent-Specific Design Readiness Questions. Respondents are strongly encouraged to treat the list of issues identified in Chart A, Chart B and the Respondent-Specific Design Readiness Questions as a table of contents for their Phase 2 CCM Submissions.

SECTION 2 - TWO TYPES OF COMMERCIALLY CONFIDENTIAL MEETINGS AND CCM SUBMISSIONS

(1) In Phase 2 of the RFP Process, the Client will convene two types of Commercially Confidential Meetings as follows:

- (a) Commercially Confidential Meetings for the purpose of receiving and discussing the Respondents' comments on the Project Agreement ("Commercial CCMs"); and
- (b) Commercially Confidential Meetings for the purpose of receiving and discussing information on the Respondents' state of design readiness and for the purpose of providing clarity to the Respondents with respect

to the content of the design readiness portions of their Phase 2 Proposal Submissions (“Design Readiness CCMs”).

(2) Respondents are requested to submit two types of CCM Submissions to correspond with the two types of Commercially Confidential Meetings. The CCM Submissions requested are as follows:

- (a) Commercial CCM Submission #1;
- (b) Commercial CCM Submission #2;
- (c) Design Readiness CCM Submission #1; and
- (d) Design Readiness CCM Submission #2.

(3) For the purpose of detailed review of each Respondent’s state of design readiness, Respondents are requested to submit both (i) the requested information set out in Chart B attached to this Schedule 7 and (ii) responses to a confidential list of questions specific to each Respondent (the “Respondent-Specific Design Readiness Questions”. Infrastructure Ontario will post the applicable Respondent-Specific Design Readiness Questions for each Respondent in that Respondent’s confidential folder in the Data Room. The Respondent-Specific Design Readiness Questions are deemed to be an attachment to this Schedule 7.

(4) Respondents acknowledge and agree that each Design Readiness CCM will deal with different substantive issues because of the different nature of the Respondents’ individual designs.

(5) Respondents acknowledge and agree that if Respondents (i) decline to attend the Commercially Confidential Meetings or (ii) decline to submit either the Commercial CCM Submissions or the Design Readiness CCM Submissions, a Respondent takes such an action at its sole risk and responsibility.

SECTION 3 - PHASE 2 CCM SUBMISSIONS – INFORMATION REQUESTED

(1) The charts that follow set out in detail the data and information (and organization) requested for the Phase 2 CCM Submissions. Chart A relates to the Commercial CCM Submissions and Chart B relates to the Design Readiness CCM Submissions. The Respondent-Specific Design Readiness Questions will be posted in the Data Room as set out in Section 2(3) of this Schedule 7.

CHART A –COMMERCIAL CCM SUBMISSIONS	
Section	Content
COMMERCIAL CCM SUBMISSION #1	
Section 1	<p>A chart outlining the Respondent’s comments on the Project Agreement. The chart should be in word, submitted in electronic and hard copy and have the following columns:</p> <ul style="list-style-type: none"> • Name of Document (i.e. Project Agreement or Name of Schedule to the Project Agreement) • Section reference of the Project Agreement • Suggested change • Rationale for suggested change.
Section 2	<p>FOR INFORMATION ONLY AND NOT FOR DISCUSSION AT THE COMMERCIALLY CONFIDENTIAL MEETINGS</p> <p>A list of extended warranties that could be offered by the Respondent.</p>
Section 3	<p>FOR INFORMATION ONLY AND NOT FOR DISCUSSION AT THE COMMERCIALLY CONFIDENTIAL MEETINGS</p> <p>Provide samples of the nuclear fuel supply contracts routinely used by the Respondent or any of its affiliates to provide nuclear fuel to a client.</p>
Section 4	<p>FOR INFORMATION ONLY AND NOT FOR DISCUSSION AT THE COMMERCIALLY CONFIDENTIAL MEETINGS</p> <p>Provide Respondent’s preferred technical tests, as well as test conditions, for confirming that the Unit is ready for commercial operation and that Substantial Completion has been achieved, and for testing and confirming performance (for example, tests for determining Net Capacity, Availability and Fuel Burn Rate).</p>
Section 5	<p>FOR INFORMATION ONLY AND NOT FOR DISCUSSION AT THE COMMERCIALLY CONFIDENTIAL MEETINGS</p> <p>Comments on the “Indices Used for Escalation” that are Attachment 1 to Schedule 11 (Financial Submission and Milestone Payments Submission) to the RFP</p>
Section 6	<p>Provide a description of the structure that the Respondent is planning on using for its submission (i.e. will the Respondent be Project Co or will the Respondent be forming a special purpose entity or a consortium entity).</p> <p>Respondents should note that this submission does <u>not</u> fulfill or replace the RFP requirements set out in RFP Section 3.6.2 or 3.6.3.</p>

CHART A –COMMERCIAL CCM SUBMISSIONS	
Section	Content
COMMERCIAL CCM SUBMISSION #2	
Section 1	<p>A chart outlining the Respondent's comments on the <u>revised</u> Project Agreement (to be issued by Infrastructure Ontario in accordance with the Timetable). The chart should be in word, submitted in electronic and hard copy and have the following columns:</p> <ul style="list-style-type: none"> • Name of Document (i.e. Project Agreement or Name of Schedule to the Project Agreement) • Section reference of the Project Agreement • Suggested change • Rationale for suggested change.

CHART B – DESIGN READINESS CCM SUBMISSIONS	
Section	Content of Section
DESIGN READINESS CCM SUBMISSION #1	
Section 1	Design Readiness – Designing to Meet CNSC Expectations
1.1	<p>Identify all aspects of the design that do not fully meet the expectations of the CNSC, specifically document RD 337 issued in June 2008, and describe the Respondent’s plans to address any licensing issues that may result. Describe the impact this may have on the schedule for submitting the PSAR and the CNSC’s acceptance of it.</p> <p>Responses are not limited to, but should include, the following:</p> <ul style="list-style-type: none"> • Description of plan to ensure that each issue does not delay the granting of a construction licence; and • Description of contingency plans to mitigate any licensing risks.
1.2	Describe using the same methodology as in subsection 1.1, the current status and plan to address issues raised related to design by regulators in other jurisdictions in pre-licensing or licensing processes and for which the resolution has not yet been confirmed as acceptable.
1.3	Describe the current status of computer-based control and safety systems, including a description of the approach to licensing computer-based control and safety systems consistent with CNSC expectations.

CHART B – DESIGN READINESS CCM SUBMISSIONS	
Section	Content of Section
DESIGN READINESS CCM SUBMISSION #1 - continued	
1.4	<p>Describe using the same methodology as in subsection 1.1, the current status and plan to address the readiness of the design as applicable to the following specific expectations of RD 337 (applicable section of RD 337 shown in brackets):</p> <ul style="list-style-type: none"> • Anticipated Operational Occurrences (RD Section 7.3.2): “The response of the plant to a wide range of AOOs allows safe operation or shutdown, if necessary, without the need to invoke provisions beyond defence-in-depth Level 1 or, at most, Level 2.” • Single Failure Criterion (RD Section 7.6.2) “All safety groups function in the presence of a single failure. The single failure criterion requires that each safety group perform all safety functions required for a PIE in the presence of any single component failure, and: <ol style="list-style-type: none"> 1. All failures caused by that single failure; 2. All identifiable but non-detectable failures, including those in the non-tested components; and 3. All failures and spurious system actions that cause (or are caused by) the PIE. Each safety group is able to perform the required safety functions under the worst permissible systems configuration, taking into account such considerations as maintenance, testing, inspection and repair, and equipment outage.” • Small Release Frequency (RD Section 4.2.2) “The sum of frequencies of all event sequences that can lead to a release to the environment of more than 10^{15} becquerel of iodine-131 is less than 10^{-5} per reactor year.” • Guaranteed Shutdown State (RD Section 7.11) “The design authority defines the guaranteed shutdown state (GSS) that will support safe maintenance activities of the NPP. The design provides two independent means of preventing recriticality from any pathway or mechanism during the GSS.”
Section 2	Design Readiness – Designing to Meet Canadian Standards
2.1	Describe the extent to which the design meets basic Canadian standards such as, but not limited to, the National Building Code of Canada, the National Fire Code of Canada, CSA Quality Assurance standards, etc., and if the design does not explicitly meet such standards describe how the design will be shown to be acceptable. Describe the impact this may have on the timing of completion of a PSAR and acceptance of the PSAR.
2.2	Describe the status of engineering and safety analysis computer codes and demonstration that they meet applicable quality assurance standards, inline with CSA Standard N286.7 “Quality Assurance of Analytical, Scientific, and Design Computer Programs for Nuclear Power Plants” including the extent to which: (i) the standards used in computer code development for codes used in engineering and safety analysis are consistent with CSA N286.7, and (ii) the work to demonstrate compliance with N286.7 is complete, and if further work is remaining describe the scope and schedule;

CHART B – DESIGN READINESS CCM SUBMISSIONS	
Section	Content
DESIGN READINESS CCM SUBMISSION #1 - continued	
Section 3	Design Readiness – Development Process for Completing the Proposed Design
3.1	<p>Describe the extent to which design work will be sufficiently complete to support a complete PSAR for a construction licence application meeting CNSC requirements to be submitted in mid-2009. Assume site-specific information will be provided in a timely manner that will not affect site-specific aspects of the PSAR. Describe design work that will be outstanding at the time of the PSAR submission and which may affect the timing of granting of the construction licence, and the schedule for completion of such work.</p> <p>In the context of this question, describe the design readiness for aspects of the design for which the basic engineering program, or the design submitted for certification in other jurisdictions, adopted a Design Acceptance Criteria or similar approach. In this approach, acceptance criteria are specified and assessed for acceptability, and the design work is deferred to a later time when a project is defined and project timelines are established. Describe the extent to which the design work for such topics will have been completed for a PSAR to be submitted mid-2009, and plans for completing the design work if required, including schedule. The response should explicitly address the following: piping design and leak before break (the extent to which the design is complete and the extent to which Canadian requirements are met), instrumentation and control including computers, and human factors engineering. The response should also address other topics for which a Design Acceptance Criteria approach has been adopted.</p>
3.2	<p>Identify all testing and research and development, needed to be included in or to support the PSAR, which will be outstanding as of the Phase 2 Proposal Submission, and the schedule for completing this work. Describe plans for ensuring that, in light of any outstanding testing or research and development, the PSAR is accepted by the regulator on a timeframe to achieve a construction licence in accordance with the deployment schedule. Describe contingency plans (e.g., impact on schedule, cost, plant performance) if the timing or outcome of the tests and research and development is different from that anticipated.</p>
3.3	<p>Identify other design readiness issues currently being considered but not identified elsewhere in this list of questions and describe plans to address them.</p>

CHART B – DESIGN READINESS CCM SUBMISSION	
Section	Content
DESIGN READINESS CCM SUBMISSION #2	
Section 1	<p>Provide detailed answers to commercially confidential follow-up questions provided to individual Respondents based on the first Design Readiness Commercially Confidential Meeting</p>