

Prequalification of suppliers for vegetation control in transmission line rights-of-way

Instructions to those interested in prequalifying

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Direction principale - Approvisionnement stratégique

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1 Eligibility

Only physical or legal persons that meet all of the selection criteria set out in this document are eligible to submit a prequalification application.

A person interested in prequalifying (referred to below as an "Interested Party") must:

 have an establishment in Québec or in a province or territory covered by an applicable intergovernmental agreement for at least a year;

Any application submitted by an ineligible physical or legal person, partnership or corporation will be disqualified.

An Interested Party that wishes to submit an application may not transfer its right or the document to any other person, partnership or corporation.

An Interested Party may not submit more than one application.

2 Objective

Hydro-Québec must, as part of its operation of transmission lines, control vegetation near these lines. This work aims to eliminate incompatible vegetation while maintaining compatible vegetation. Hydro-Québec wishes to prequalify specialized firms to meet its vegetation control needs.

The objective of this qualification process is to enable Hydro-Québec to conduct an inventory of the firms that, in Hydro-Québec's opinion, have the necessary financial capability, material resources, human resources, expertise and permits to perform the services described above. Prequalification of a firm does not oblige Hydro-Québec to award a contract to such firm.

3 Supplier's establishment

A supplier's "establishment" in a region is a fixed location, excluding any construction site or mining camp, where the supplier has conducted its activities on a permanent basis for at least one (1) year on the date of the opening of proposals and from where it must have performed, in that same region, one (1) or more contracts comparable to the contract covered by this request for proposals. In addition, the firm's management and operations staff must work at the establishment on a regular basis during regular business hours. These establishments must be clearly identified under the supplier's name and be accessible to the public.

4 Preparing a prequalification application

Suppliers who wish to prequalify must <u>create a Hydro-Québec Supplier Space</u> before submitting any type of request to this effect.

An annual public notice will be issued to invite suppliers to submit a prequalification application. The notice is available in the <u>list of current tender calls in the Supplier Space</u>. Suppliers that are already prequalified are not required to submit a prequalification application each year.

Firms wishing to prequalify prior to the release of the public notice must send an email to https://hydroquebec.com. Hydro-Québec will then indicate the appropriate procedure to follow.

Each Interested Party must submit, via the request for prequalification section of Hydro-Québec's Supplier Space, a file that meets all requirements set out in this document.

Each Interested Party must complete all blank sections of the prequalification form entitled "Supplier Prequalification Application – IVM Transmission (Version: 2021-10-18)" and submit all reference documents requested in the form.

5 Signature of the prequalification application

By submitting a prequalification application, the supplier acknowledges having read the invitation for prequalification documents and agrees to be bound by its application as if it were signed by the supplier.

6 Submitting a prequalification application

Unless Hydro-Québec determines otherwise, the prequalification application must be submitted through the Supplier Space and received by Hydro-Québec before 2 p.m. (Montréal time) on the bid submission deadline. **Any application not submitted in accordance with Hydro-Québec's instructions will be rejected.** The entire application, including the responses to the questionnaires and all required documents, must be received by the time indicated above.

When attaching a document to the prequalification application, the supplier must ensure that each attachment does not exceed 500 MB.

Because of this limitation, Hydro-Québec cannot receive documents that exceed this size. The Interested Party is solely responsible for ensuring that no document exceeds the size limit mentioned above. Hydro-Québec assumes no responsibility in this regard.

The supplier must also ensure that attached documents are in one of the following formats: PDF/XLS/DOC/JPEG. No other format will be accepted. However, the files may be compressed (ZIP).

Hydro-Québec does not accept any other method of submission or electronic document or link. We invite you to contact the file manager identified on the invitation for prequalification document as soon as possible to report any difficulty related to the format or size of an attachment.

7 Communication

French is the language of work. All written or oral communication related to the document must be in French. This is a courtesy translation.

8 Rejection of the prequalification application

Hydro-Québec reserves the right to reject one, any or all of the prequalification application received.

Hydro-Québec may reject any application it deems invalid or that does not contain all information required for its analysis.

Hydro-Québec reserves the right to verify the accuracy of all information submitted by an Interested Party. Any erroneous information may also result in the rejection of the prequalification application.

9 Prequalification level

There are two (2) prequalification levels in the vegetation control market for transmission line rights-of-way.

- "Prequalified" level:
 - These suppliers are not subject to any limitations concerning the awarding of contracts other than their capacity to carry out the work.
- "Backup" level:
 - These suppliers may be awarded up to four hundred (400) hectares or two thousand (2,000) hours per year. The aim is to help smaller or new suppliers progressively gain experience in this market.
 - O Hydro-Québec reserves the right to upgrade a supplier's prequalification level from "backup" to "prequalified." The supplier must demonstrate (i) its ability to meet the evaluation criteria for the "prequalified" level; (ii) that it has performed at least one (1) contract for Hydro-Québec in this market; and (iii) that it has been prequalified as "backup" for at least one (1) year in this market. Any issue that has required a supplier mitigation plan may affect a supplier's upgrade from "backup" to "prequalified." Any "backup" supplier wishing to become "prequalified" must submit a new prequalification application, which will be

evaluated as described in section 10.

10 Assessment of application

An Interested Party's application (on condition that it is complete and meets all conditions) will be assessed as soon as possible by Hydro-Québec in accordance with the following assessment criteria:

- firm's financial capacity
- firm's relevant experience
- experience of forepersons and administrators
- annual performance capacity
- firm's areas of activity
- tools and equipment appropriate for the activities
- quality of the prevention program (health and safety) and training program

The application will be assessed by a committee of experts using a detailed evaluation form based on the above criteria. The final decision concerning the assessment of the application and the prequalification level is the sole responsibility of Hydro-Québec. Interested Parties will receive an official notification from Hydro-Québec informing them of the committee's decision regarding their prequalification application. The list of prequalified suppliers will then be published on Hydro-Québec's website. Interested Parties may request an explanation of their assessment.

An Interested Party whose prequalification application was rejected following the committee's assessment may submit a new application at the appropriate time after meeting the assessment criteria, and at least three (3) months after receiving a notification that it has not prequalified.

11 Confidentiality

The applicant's file will be treated as confidential and will not be reproduced or disclosed by Hydro-Québec, in whole or in part, other than for the purpose of assessing the Interested Party.

12 Prequalification follow up

Hydro-Québec reserves the right to carry out audits to verify that prequalified firms continue to meet the prequalification criteria and have done so without interruption.

13 Disqualification

Hydro-Québec reserves the right to disqualify a prequalified supplier and to remove it from the *List of prequalified suppliers – Vegetation Control – Transmission Lines*, based on the following provisions:

- Failure to comply with one or more contractual clauses or obligations leading to the complete or partial termination, due to default, of a contract with Hydro-Québec, or the total or partial withdrawal of the work, or failure to comply with any laws or regulations in effect, may result in the firm's disqualification for a period of twelve (12) months. The supplier must then submit a new prequalification application.
- 2. ACTIVE: A prequalified supplier that does not submit a proposal in response to any request for proposals during a period of twelve (12) consecutive months could be removed from the list of suppliers authorized to submit a bid for a period of six (6) months. The supplier must then submit a new prequalification application.
- 3. COMPETITIVE: A prequalified supplier that does not submit an offer deemed to be competitive based on Hydro-Québec's evaluation criteria during a period of twelve (12) consecutive months could be removed from the list of suppliers authorized to submit a bid for a period of six (6) months. The supplier must then submit a new prequalification application.
- 4. PERFORMING: Hydro-Québec will evaluate the performance of prequalified suppliers once the contracts are completed. Hydro-Québec reserves the right to use performance evaluation results to maintain or revoke a supplier's prequalification status. Failure to respect this provision exposes the supplier to a potential removal from the list of suppliers authorized to submit a bid for a period of six (6) months. The supplier must then submit a new prequalification application.