

**SCHEDULE 13-2**

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**PROPOSAL REVIEW PROCESS**

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## SCHEDULE 13-2

### PROPOSAL REVIEW PROCESS

**Hydro** agrees that it will apply the following stages and criteria with a view to negotiating **Direct Negotiation Contracts** for the **Keeyask Project** on commercially reasonable terms pursuant to Article 13 of the **JKDA**:

#### A. GENERAL

##### 1. Commencement of Process

**Hydro** will issue to the **Proposer** a **Request for Direct Negotiation Proposal** outlining the detailed scope of the **Work** and **Hydro's** requirements for performance of same. A **Proposer** may, at its option, request a Stage 1 - Initial Review in accordance with this Schedule 13-2, prior to the issuance of a **Request for Direct Negotiation Proposal**. Only one **Proposer** may be designated by the **CNP, Fox Lake** or **York Factory**, as applicable, to participate in the **Proposal Review Process** for any given **Work**, in accordance with the allocation set out in Schedule 13-1 to the **JKDA**. Such **Proposer** will be designated by the **CNP, Fox Lake** or **York Factory** prior to the Stage 1 - Initial Review or issuance of the **Request for Direct Negotiation Proposal**, as applicable, failing which **Hydro** will issue the **Request for Direct Negotiation Proposal** to the **Keeyask Cree Nation** to whom the **Identified Work Package** is allocated in Schedule 13-1 of the **JKDA**.

##### 2. Application of Hydro Policies

Any negotiations conducted by **Hydro** for any **Work** will be conducted in accordance with **Hydro** policies. Any such negotiations will be conducted by **Hydro** such that the ability of the **Proposer** to deliver goods or services, to attain schedules and to achieve costs and quality acceptable to **Hydro** will be the primary factors considered in all preferential purchase decisions. Subject to the requirements of this Schedule 13-2 and Article 13 of the **JKDA**, **Hydro** reserves the right to reject any **Proposals** for any **Work** that do not fall within the guidelines of its established policies.

#### B. DETAILED STEPS IN PROPOSAL REVIEW PROCESS

##### 1. Stage 1 - Initial Review

###### 1.1 Overview

Stage 1 - Initial Review is a determination as to whether the **Proposer** has established a preliminary business structure in relation to the scope of work information available at that time for a work package subject to **Direct Negotiation**. The Stage 1 - Initial Review permits the **Proposer** to prepare, at its option, a submission for **Hydro's** review and evaluation as provided below.

## 1.2 Information to be Submitted

For the Stage 1 - Initial Review, the **Proposer** will provide the following information to **Hydro**:

- (a) Evidence that the proposed business arrangement meets the criteria of a **Northern Aboriginal Contractor** including:
  - (i) that the proposed business arrangement is a **KCN Business**; and
  - (ii) a copy of all agreements detailing the creation and on-going operation of the proposed business arrangement executed by all parties to such arrangement as well as copies of all **Council Resolutions** authorizing the execution of such agreement.
  
- (b) Other details of the proposed business arrangement as follows:
  - (i) Legal structure of the business arrangement, including individuals authorized to act on behalf of the business in discussions with **Hydro**;
  - (ii) Financial plan and information with respect to sources of working capital, proposed lenders, proposed financing arrangements for equipment;
  - (iii) Information with respect to sureties and bonding capacity, if applicable;
  - (iv) Contributions of each party to the business arrangement;
  - (v) Previous relevant experience, capital and plant;
  - (vi) Experience working with the same parties or in similar business arrangements; and
  - (vii) Procedures to be used to resolve disputes among parties to the business arrangement.
  
- (c) Details of the actual business enhancement that the **Proposer** may achieve, including:
  - (i) enhancement of the participating aboriginal business and strengthening of its capacity and/or skills to operate in a competitive market place as a result of the formation of the proposed business arrangement; and
  - (ii) information that the proposed business arrangement is not simply a flow-through of profit to a **Keeyask Cree Nation** or **KCN Business**, however acknowledging that profits will be flowed through and reasonably allocated among joint venture participants.
  
- (d) A **Council Resolution** from the applicable **Keeyask Cree Nation**, authorizing one **Proposer** to enter into the **Proposal Review Process** with **Hydro**.

### 1.3 Evaluation Criteria

In conducting the Stage 1 - Initial Review, **Hydro** will employ the following evaluation criteria:

Criteria	Evaluation Considerations
Business	<ul style="list-style-type: none"> <li>• a <b>Council Resolution</b> from the applicable <b>Keeyask Cree Nation</b>, authorizing one <b>Proposer</b> to enter into the <b>Proposal Review Process</b> with <b>Hydro</b> for the <b>Work</b></li> <li>• Proposed business structure meets criteria in <b>Hydro’s Northern Purchasing Policy</b> of being a “Northern Aboriginal Business” (which is the same as a “<b>Northern Aboriginal Contractor</b>” referred to in the <b>BNA</b>)</li> <li>• If joint venture being proposed - copy of satisfactory joint venture agreement supplied as well as a <b>Council Resolution</b> authorizing execution of the agreement</li> <li>• If joint venture - individuals are clearly identified who are authorized to act on behalf of joint venture in discussions with <b>Hydro</b></li> </ul>
Financial	<ul style="list-style-type: none"> <li>• Information with respect to overall financial status including sources and extent of working capital, proposed lenders, and proposed financing arrangements for equipment</li> <li>• Information with respect to sureties and overall bonding capacity, if applicable</li> </ul>
Experience	<ul style="list-style-type: none"> <li>• Information with respect to previous experience of <b>Proposer</b></li> <li>• If joint venture, define contribution of each joint venture partner to the joint venture</li> <li>• If joint venture, experience in working with same joint venture partner or in another related joint venture</li> <li>• Dispute resolution process among parties to joint venture</li> </ul>
Capacity Building	<ul style="list-style-type: none"> <li>• Enhancement of participating Aboriginal business, including strengthening of its capacity and/or skills to operate in competitive market place</li> <li>• Evidence that the business is not simply a flow-through of profit to a <b>Keeyask Cree Nation</b> or <b>KCN Business</b>, however</li> </ul>

	acknowledging that profits will be flowed through and reasonably allocated among joint venture participants
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#### 1.4 Stage 1 Evaluation

Following its evaluation, **Hydro** will advise the **Proposer** in writing as to whether the **Proposer** has met the criteria for Stage 1 - Initial Review with respect to the work package in question. A **Proposer** will be entitled to proceed to Stage 2 - Pre-Qualification of Business Structure, regardless of whether it has requested or met the criteria for Stage 1 - Initial Review.

### 2. Stage 2 - Pre-Qualification of Business Structure

#### 2.1 Overview

Stage 2 - Pre-Qualification of Business Structure requires the **Proposer** to establish that it has created a valid and subsisting business arrangement that has the ability and capacity to perform the **Work** in question as required by the **Request for Direct Negotiation Proposal**. It requires the **Proposer** to make a submission and presentation to **Hydro** with respect to pre-qualification of its business arrangement which proposes to perform the **Work**.

#### 2.2 Information to be Submitted

In its written submission and presentation to **Hydro**, the **Proposer** will provide the following information:

- (a) Evidence that the proposed business arrangement meets the criteria of a **Northern Aboriginal Contractor** including:
  - (i) that the proposed business arrangement is a **KCN Business**; and
  - (ii) a copy of all agreements detailing the creation and on-going operation of the proposed business arrangement executed by all parties to such arrangement as well as copies of all **Council Resolutions** authorizing the execution of such agreements.
- (b) Other details of the proposed business arrangement as follows:
  - (i) Legal structure of the business arrangement, including individuals authorized to act on behalf of the business in discussions with **Hydro**;
  - (ii) Financial plan and information with respect to sources of working capital, proposed lenders, proposed financing arrangements for equipment;
  - (iii) Contributions of each party to the business arrangement;
  - (iv) Business plan including proposed approach and activities to perform the **Work**;

- (v) Organizational plan, management, supervision;
  - (vi) Qualifications to perform the **Work** including ability, previous relevant experience, capital and plant;
  - (vii) Resumes of management and supervisory staff;
  - (viii) Experience working with the same parties or in similar business arrangements;
  - (ix) Procedures to be used to resolve disputes amongst parties to the business arrangement;
  - (x) Ability to provide sufficient bonding, if applicable; and
  - (xi) Any other information a **Proposer** may determine is relevant to its performance of the **Work**.
- (c) Details of the actual business enhancement that the **Proposer** may achieve including:
- (i) how the performance of the **Work** by the **Proposer** will enhance the capacity and/or skills of one or more **Keeyask Cree Nations** or **KCN Businesses** to operate in a competitive marketplace as a result of the formation of the proposed business arrangement; and
  - (ii) information that the proposed business arrangement is not simply a flow-through of profit to a **Keeyask Cree Nation** or **KCN Business**, however acknowledging that profits will be flowed through and reasonably allocated among joint venture participants.
- (d) A **Council Resolution** from the applicable **Keeyask Cree Nation**, authorizing one **Proposer** to enter into the **Proposal Review Process** with **Hydro**.

### 2.3 Meetings and Discussions

Within the time limits set forth in the **Request for Direct Negotiation Proposal**, **Hydro** will be entitled to request further information and agrees to accommodate discussions, meetings and correspondence with the **Proposer** in the evaluation and approval of the **Proposer's** proposed business arrangement. If information deficiencies are identified, **Hydro** will meet with the **Proposer** to identify the additional information needed, and will work with the **Proposer** toward providing the necessary information.

### 2.4 Joint and Several Liability

All parties or entities to the proposed business arrangement will be required to be jointly and severally liable to perform the **Work** in question, unless otherwise agreed to in writing by **Hydro**.

### 2.5 Evaluation Criteria

In reviewing the **Proposer's** business arrangement, **Hydro** will employ the following evaluation criteria in determining whether the **Proposer** has established that it has created

a valid and subsisting business arrangement that has the ability and capacity to perform the **Work** in question, as required by the **Request for Direct Negotiation Proposal**.

Criteria	Evaluation Considerations
Qualifying Business	<ul style="list-style-type: none"> <li>• a <b>Council Resolution</b> from the applicable <b>Keeyask Cree Nation</b>, authorizing one <b>Proposer</b> to enter into the <b>Proposal Review Process</b> with <b>Hydro</b> for the <b>Work</b></li> <li>• Proposed business structure meets criteria in <b>Hydro’s Northern Purchasing Policy</b> of being a “Northern Aboriginal Business” (which is the same as a “<b>Northern Aboriginal Contractor</b>” referred to in the <b>BNA</b>)</li> <li>• If joint venture being proposed - copy of satisfactory joint venture agreement supplied as well as a <b>Council Resolution</b> authorizing execution of the agreement</li> <li>• If joint venture - individuals are clearly identified who are authorized to act on behalf of joint venture in discussions with <b>Hydro</b></li> </ul>
Financial Capacity	<ul style="list-style-type: none"> <li>• Satisfactory information with respect to sources and extent of working capital is supplied evidencing that <b>Proposer</b> has financial capacity to perform the <b>Work</b></li> <li>• Satisfactory information regarding any proposed lenders is supplied evidencing that <b>Proposer</b> has financial capacity to perform the <b>Work</b></li> <li>• Satisfactory information with respect to sureties and overall bonding capacity is supplied evidencing that <b>Proposer</b> is able to provide sufficient bonding in relation to the <b>Work</b></li> <li>• Satisfactory information regarding any proposed financing arrangement for equipment is supplied evidencing that <b>Proposer</b> has equipment available to perform the <b>Work</b></li> </ul>
Capacity to Perform Work	<ul style="list-style-type: none"> <li>• Satisfactory information supplied with respect to previous experience of <b>Proposer</b> evidencing <b>Proposer</b> has sufficient capacity to perform the <b>Work</b></li> <li>• Satisfactory organization plan including management and supervision of the <b>Work</b> is supplied</li> <li>• Satisfactory qualifications (including resumes) of managers and supervisors including their</li> </ul>

	<ul style="list-style-type: none"> <li>relevant skills and previous experience</li> <li>• Satisfactory list and ownership status of relevant equipment and plant</li> <li>• If joint venture, define contribution of each joint venture partner to performing the proposed <b>Work</b></li> <li>• If joint venture, experience in working with same joint venture partner or in another related joint venture</li> <li>• Satisfactory dispute resolution process among parties to joint venture</li> </ul>
Plans to do the Work	<ul style="list-style-type: none"> <li>• Satisfactory business plan including proposed approach and activities to perform the <b>Work</b></li> </ul>
Capacity Building	<ul style="list-style-type: none"> <li>• Satisfactory enhancement of participating aboriginal business, including strengthening of its capacity and/or skills to operate in competitive market place</li> <li>• Satisfactory evidence that the business is not simply a flow-through of profit to a <b>Keeyask Cree Nation</b> or <b>KCN Business</b>, however acknowledging that profits will be flowed through and reasonably allocated among joint venture participants.</li> </ul>

## 2.6 Stage 2 Evaluation

Following its evaluation of the **Proposer's** proposed business arrangement, and within the time limits set forth in the **Request for Direct Negotiation Proposal**, if **Hydro** determines that the **Proposer** does not meet the evaluation criteria for Stage 2 - Pre-Qualification of Business Structure, **Hydro** will meet with the **Proposer** to identify deficiencies and any improvements required to meet such evaluation criteria.

## 2.7 Additional Information and Re-Evaluation

Within the time limits set forth in the **Request for Direct Negotiation Proposal**, the **Proposer** will be entitled to submit additional information with respect to its proposed business arrangement, and **Hydro** will re-evaluate the **Proposer's** proposed business arrangement taking into account such additional information.

## 2.8 Determination as to Business Structure

**Hydro** will then, in writing, advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls, as to whether **Hydro** accepts that the **Proposer** has created a valid and subsisting business arrangement that has the ability and capacity to perform the **Work** in question, as required by the **Request for Direct Negotiation Proposal**.



## 2.9 Hydro Decision Final

If **Hydro** advises that it does not accept that the **Proposer** has created a valid and subsisting business arrangement as required, then **Hydro's** decision will be final and binding with respect to the **Work** in question and negotiations with the **Proposer** for such **Work** will be deemed concluded, but this will not limit the rights of a **Keeyask Cree Nation** provided for in section 13.5.7 of the **JKDA**.

## 3. Stage 3 - Submission and Evaluation of Direct Negotiation Proposal

### 3.1 Overview

Upon successful pre-qualification of the **Proposer's** business arrangement by **Hydro** in accordance with Stage 2 - Pre-Qualification of Business Structure, the **Proposer** will submit a **Proposal** for performance of the **Work**, in accordance with the requirements of the **Request for Direct Negotiation Proposal**.

### 3.2 Information to be Submitted

The following information and data may also be required to be submitted as stipulated by the **Request for Direct Negotiation Proposal**:

- (a) **Council Resolution;**
- (b) Safety management program and record;
- (c) Estimated number of employees for each month of performance of the work;
- (d) Estimated number, make, model and type of equipment;
- (e) Plan of field office showing location and dimensions (if applicable);
- (f) Plan of yard required for office, shop(s), equipment and parking, showing the location and dimensions (if applicable);
- (g) Strategy for fuel storage and distribution (if applicable);
- (h) Proposed evacuation plan for medical emergencies;
- (i) Personnel training plan;
- (j) Work schedule;
- (k) Proposed Method Statements;
- (l) Proposed Quality Assurance Program;
- (m) Proposed Organizational Structure;
- (n) Past job experience;
- (o) Training/experience/qualifications of workforce;
- (p) Strategy for workforce/shifts;
- (q) Experience and training in the knowledge and operation of fire fighting equipment (if applicable);
- (r) Other information the **Proposer** feels may be relevant; and
- (s) Any additional information or data that might be required to be submitted by **Hydro** as required by the particular **Work** in question.

### 3.3 Meetings and Discussions

Within the time limits set forth in the **Request for Direct Negotiation Proposal**, **Hydro** will be entitled to request further information and agrees to accommodate discussions, meetings and correspondence with the **Proposer** in the evaluation of its **Proposal**. If information deficiencies are identified, **Hydro** will meet with the **Proposer** to identify the additional information needed, and will work with the **Proposer** toward providing the necessary information.

### 3.4 Evaluation Criteria

**Hydro** will evaluate the **Proposer’s Proposal** for the **Work** in question in accordance with the criteria set out below provided, however, as the details and technical specifications for the **Work** in question are finalized, that **Hydro** reserves the right to modify or add to the list of evaluation criteria to ensure a proper and thorough evaluation process is conducted with respect to the **Work** in question.

Criteria	Evaluation Considerations
Cost of Performing the <b>Work</b>	<ul style="list-style-type: none"> <li>• Price of the <b>Work</b> falls within <b>Northern Purchasing Policy</b> guidelines</li> <li>• Whether the price for each item of the <b>Work</b> is reasonable (manifestly unbalanced prices or lump sum prices will not be acceptable)</li> </ul>
Plans to do the <b>Work</b>	<ul style="list-style-type: none"> <li>• Do proposed workforce and equipment match the <b>Work</b></li> <li>• Plan including proposed approach and activities to perform the <b>Work</b></li> <li>• Estimated number of employees for each month of performance of the <b>Work</b></li> <li>• Whether any of the <b>Work</b> will be subcontracted and if so, to whom, to what extent and at what price</li> <li>• Estimated number, make, model and type of equipment</li> <li>• Plan of field office showing location and dimensions</li> <li>• Plan of yard required for office, shop(s), equipment and parking, showing the location and dimensions</li> <li>• Proposed Method Statements</li> <li>• Strategy for workforce/shifts</li> <li>• Proposal for communicating and interacting with <b>Hydro</b></li> </ul>

<b>Proposer's Capacity to Perform the Work</b>	<ul style="list-style-type: none"> <li>• Relevant previous experience of <b>Proposer</b> for similar work to that being proposed</li> </ul>
Qualifications of <b>Proposer's</b> Proposed Personnel	<ul style="list-style-type: none"> <li>• Satisfactory qualifications (including resumes) of managers and supervisors including their relevant skills and previous experience</li> </ul>
Financial Capacity	<ul style="list-style-type: none"> <li>• Satisfactory sources and extent of working capital</li> <li>• Satisfactory proposed lenders</li> <li>• Satisfactory proposed financing arrangement for equipment</li> </ul>
Contract Security	<ul style="list-style-type: none"> <li>• Satisfactory approach to meeting contract security requirements (including surety and bonding requirements, if applicable)</li> </ul>
Offer of Alternatives	<ul style="list-style-type: none"> <li>• <b>Proposer's</b> offer of alternatives for work sequences, and work commencement and completion dates</li> </ul>
Safety	<ul style="list-style-type: none"> <li>• Satisfactory safety record/proposal</li> <li>• Satisfactory emergency materials and equipment</li> <li>• Satisfactory proposed evacuation plan for medical emergencies</li> </ul>
Training	<ul style="list-style-type: none"> <li>• Satisfactory on the job training plan</li> <li>• Satisfactory training, licences and accreditations relevant to the <b>Work</b></li> </ul>
<b>Proposer's Business Arrangement</b>	<ul style="list-style-type: none"> <li>• Successfully pre-qualified and valid and subsisting at time of evaluation of <b>Proposal</b></li> <li>• Satisfactory proposed Organizational Structure</li> </ul>
Schedule	<ul style="list-style-type: none"> <li>• Satisfactory evidence of <b>Proposer's</b> adherence to critical milestone schedule set out in <b>Request for Direct Negotiation Proposal</b> is achievable.</li> </ul>
Quality and Completeness of Proposal Package	<ul style="list-style-type: none"> <li>• Satisfactory evidence of technical capability, work plan, delivery schedule, communication plan, etc.</li> </ul>
Relevant Submissions	<ul style="list-style-type: none"> <li>• Satisfactory <b>Proposer's</b> submission of relevant information such as sample reports, brochures, specification sheets, and audio/visual materials.</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>• Satisfactory <b>Proposer's</b> description of environmental protection activities and</li> </ul>

	measures planned for the <b>Work</b> <ul style="list-style-type: none"> <li>• Strategy for fuel storage and distribution</li> </ul>
Quality Assurance	<ul style="list-style-type: none"> <li>• Satisfactory <b>Proposer's</b> description of quality assurance and control program planned for the <b>Work</b></li> </ul>

### 3.5 Finalization of Evaluation Criteria

Not necessarily all of the evaluation criteria set out in section 3.4 of this Schedule 13-2 will apply to all **Work**. Finalized evaluation criteria for the **Work** in question will be set out in the applicable **Request for Direct Negotiation Proposal** at the time of issuance and a **Proposer's Proposal** will be evaluated in accordance with such criteria.

### 3.6 Stage 3 Evaluation

Following its evaluation of the **Proposer's Proposal**, and within the time limits set forth in the **Request for Direct Negotiation Proposal**, if **Hydro** determines that the **Proposer** does not meet the evaluation criteria for Stage 3 - Submission and Evaluation of Direct Negotiation Proposal, **Hydro** will meet with the **Proposer** to identify deficiencies and any improvements required to meet such evaluation criteria.

### 3.7 Additional Information and Re-Evaluation

Within the time limits set forth in the **Request for Direct Negotiation Proposal**, the **Proposer** will be entitled to submit additional information with respect to its **Proposal** and **Hydro** will re-evaluate the **Proposer's Proposal** taking into account such additional information.

### 3.8 Determination as to Advancement to Stage 4

**Hydro** will then, in writing, advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls, as to whether the **Proposer's Proposal** is complete and sufficiently responsive to the **Request for Direct Negotiation Proposal** for the purposes of proceeding to Stage 4 - Negotiation of a Direct Negotiation Contract.

### 3.9 Request for Stage 3 Mediation

If **Hydro** advises that the **Proposer's Proposal** is not complete and/or sufficiently responsive to the **Request for Direct Negotiation Proposal** for the purposes of proceeding to Stage 4 - Negotiation of a Direct Negotiation Contract, then within ten (10) days of **Hydro's** written notice to such effect, the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls will have the right to request non-binding mediation, following the process provided for in section 13.5.2 of the **JKDA**.

### 3.10 **Effect of Request for Mediation**

The applicable **Keeyask Cree Nation** will have the right to request non-binding mediation on one (1) occasion only with respect to any particular **Work** in either Stage 3 - Submission and Evaluation of Direct Negotiation Proposal or Stage 4 - Negotiation of Direct Negotiation Contract.

### 3.11 **Request for Referral to Principals**

At the conclusion of the non-binding mediation process provided for in section 13.5.2 of the **JKDA**, **Hydro** will advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the Proposer falls whether the **Proposer's Proposal**, as may have been revised during the meditation period, is or is not complete and/or sufficiently responsive to the **Request for Direct Negotiation Proposal** for the purposes of proceeding to Stage 4 - Negotiation of a Direct Negotiation Contract. If the **Proposer's Proposal** is not complete and/or sufficiently responsive, then the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls, will have the right, within five (5) days of **Hydro's** written notice to such effect, to request that the remaining differences between **Hydro** and the **Proposer** be submitted to the President and CEO of **Hydro** and the Chief of the affected **Keeyask Cree Nation** following the process provided for in section 13.5.5 of the **JKDA**.

### 3.12 **Hydro Decision Final**

If such principals of the parties cannot resolve the dispute within forty-five (45) days of the submission of the written statements by **Hydro** and the affected **Keeyask Cree Nation**, or any mutually-agreed extension, then **Hydro** will advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls in writing as to **Hydro's** decision which will be final and binding with respect to the **Work** in question. Negotiations with the **Proposer** for such **Work** will be deemed concluded but this will not limit the rights of a **Keeyask Cree Nation** provided for in section 13.5.7 of the **JKDA**.

## 4. **Stage 4 - Negotiation of Direct Negotiation Contract**

### 4.1 **Overview**

Upon submission of a complete and sufficiently responsive **Proposal**, in accordance with Stage 3 - Submission and Evaluation of Direct Negotiation Proposal and within the time limits set forth in the **Request for Direct Negotiation Proposal**, **Hydro** will be entitled to request further information from the **Proposer** and agrees to accommodate discussions, meetings and correspondence in order to endeavour to negotiate the terms of a **Direct Negotiation Contract** with the **Proposer** for the **Work** in question, provided however that such negotiations will create no legally binding obligations on the part of either **Hydro** or the **Proposer**, until such time as a **Direct Negotiation Contract** is

signed between them and a Purchase Order has been issued by **Hydro** for the **Work** in question.

#### 4.2 **Continued Application of Evaluation Criteria**

During any negotiations conducted between **Hydro** and the **Proposer** after the submission of the **Proposer's Proposal** to perform the **Work** in question, **Hydro** will continue to review and evaluate the **Proposer's Proposal**, in accordance with the evaluation criteria set out in the **Request for Direct Negotiation Proposal**.

#### 4.3 **Stage 4 Evaluation**

Following its final evaluation of the **Proposer's Proposal** at the conclusion of the negotiation process set out in Stage 4 - Negotiation of Direct Negotiation Contract, **Hydro** will, in writing, advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls, as to whether **Hydro** accepts the **Proposer's** most recent **Proposal** to perform the **Work**.

#### 4.4 **Request for Stage 4 Mediation**

Subject to section 4.5 of this Schedule 13-2, If **Hydro** advises that it does not accept the **Proposer's Proposal** and non-binding mediation has not been requested in Stage 3 - Submission and Evaluation of Direct Negotiation Proposal by the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls, then, within ten (10) days of **Hydro's** written notice to such effect, such **Keeyask Cree Nation** will have the right to request non-binding mediation following the process provided for in section 13.5.2 of the **JKDA**.

#### 4.5 **Hydro Decision Final Where Mediation Not Available**

If non-binding mediation has been previously requested in Stage 3 - Submission and Evaluation of Direct Negotiation Proposal, then **Hydro**, in writing, will advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls as to its decision which will be final and binding with respect to the **Work** in question. Negotiations with the **Proposer** for such **Work** will be deemed concluded but this will not limit the rights of a **Keeyask Cree Nation** provided for in section 13.5.7 of the **JKDA** .

#### 4.6 **Request for Referral to Principals**

Provided mediation is available in accordance with section 4.4 of this Schedule 13-2, if at the conclusion of the process set out in section 13.5.2 of the **JKDA**, **Hydro** advises that it still does not accept the **Proposer's Proposal**, as may have been revised during the mediation period, then within five (5) days of **Hydro's** written notice to such effect, the **Keeyask Cree Nation**, under whose jurisdiction the **Proposer** falls, will have the right to request that the remaining differences between **Hydro** and the **Proposer** be submitted to

the President and CEO of **Hydro** and the Chief of the affected **Keeyask Cree Nation**, following the process provided for in section 13.5.5 of the **JKDA**.

#### 4.7 **Hydro's Decision Final**

If such principals of the parties cannot resolve the dispute within forty-five (45) days of the submission of the written statements by **Hydro** and the affected **Keeyask Cree Nation**, or any mutually-agreed extension, then **Hydro** will advise the **Proposer** and the **Keeyask Cree Nation** under whose jurisdiction the **Proposer** falls in writing as to its decision which will be final and binding with respect to the **Work** in question. Negotiations with the **Proposer** for such **Work** will be deemed concluded, but this will not limit the rights of a **Keeyask Cree Nation** provided for in section 13.5.7 of the **JKDA**.

### C. **SCHEDULE**

#### 1. **Requirements**

**Hydro's** schedule for conduct of each of the above Stages 2, 3 and 4 of this Schedule 13-2 will be attached to the **Request for Direct Negotiation Proposal** for the **Work** in question and will provide reasonable amounts of time and final deadlines for conducting each step as follows:

Stage	Activity
Stage 2	Upon issuance of the <b>Request for Direct Negotiation Proposal</b> for the <b>Work</b> in question, time for <b>Proposer</b> to review the <b>Request for Direct Negotiation Proposal</b> and prepare information for submission to <b>Hydro</b> as required by Stage 2
Stage 3	Upon approval of business structure, time for <b>Proposer</b> to complete and submit the <b>Proposal</b> in response to <b>Request for Direct Negotiation Proposal</b> requirements as required by Stage 3
Stage 4	Upon submission of <b>Proposer's Proposal</b> , time for <b>Hydro</b> and <b>Proposer</b> to conduct discussions, meetings and correspondence to endeavour to negotiate a <b>Direct Negotiation Contract</b> for the <b>Work</b> in question as provided for in Stage 4