

Sourcing justification and the retention of the information is the responsibility of each business unit. This form is a tool for each business unit to collect Sourcing justification information. The retention of this information is subject to audit.

This form is used to capture the reason "why" a vendor was selected in cases where a competitive bid process was not undertaken with Procurement.

Definitions

- **Sole Source:** only **one** vendor is **capable** of providing a particular item or service.
- **Single Source:** a product or service is available from more than one source, but for **particular reasons**, it must be purchased from a specific vendor.
- **Competitive Bid:** wherein more than one proposal, tender, bid or quote has been collected and evaluated based on value provided. Where a competitive bid has been done through Procurement, this form is not required.

The justification needs to explain how the organization is receiving fair market value and how financial risk is mitigated.

The questions below need to be considered and documented in support of the sourcing requirements. Check all that apply:

- ☐ **OEM parts:** Repair or maintenance parts are only available from original equipment manufacturer or their designated service dealer.
- ☐ **Software & systems:** Upgrade/ modification or support to existing software or systems: available only from this software or systems producer.
- ☐ **License or patent:** Sole provider of a patented or licensed product.
- ☐ **Operation of equipment systems:** Matches existing equipment systems. Provide brand & model of existing equipment and explain why:
- ☐ **Used or refurbished:** Used, reconditioned or demonstration equipment available at lower-than-new cost. Show cost comparison and attach pricing information.
- ☐ **Only provider in marketplace:** Sole provider of service/maintenance/product. No other supplier exists within the marketplace that can provide the good/service.
- ☐ **R&D or new technology:** Service/commodity is new technology or otherwise unique.
- ☐ **Vendor and/or community relations.**
- ☐ **Certified:** Only this vendor is certified under an authorized body to provide this good/service.
- ☐ **Cost of change is highly prohibitive:** The continuation of an existing contract cumulatively over 5 years old and cost of changing vendors is prohibitive:

Note: justification on the basis that a long term contractual arrangement exists is insufficient. Contract continuation must be rationalized in relation to the current market conditions.

- ☐ Direct negotiation with one or more suppliers where value provided is equal to or better than market
- ☐ Other reason(s):

Explanation/details:

Is there an existing business relationship between FortisBC and the vendor?

☐ Yes ☐ No

- If yes, then Procurement will proceed with processing your request.
- If no, then the business unit will need to contact the vendor to obtain expressed consent under CASL (Canadian Anti-Spamming Legislation) before Procurement can process your request.

☐ Confirm by checking this box that no conflict of interest exists with the vendor.

Note: if a conflict of interest exists or is perceived to exist - a party independent of the conflict within the business should do the sourcing.

Vendor name	Value	Submitted by
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Name (print or type)

Signature

Title

Date (Yr/Mth/Day)

Approval is based upon the signing authority as outlined in the Corporate Authorities policy. If the request is for an extension or renewal beyond an initial 5-year period, Executive approval is required and shall accompany this form.