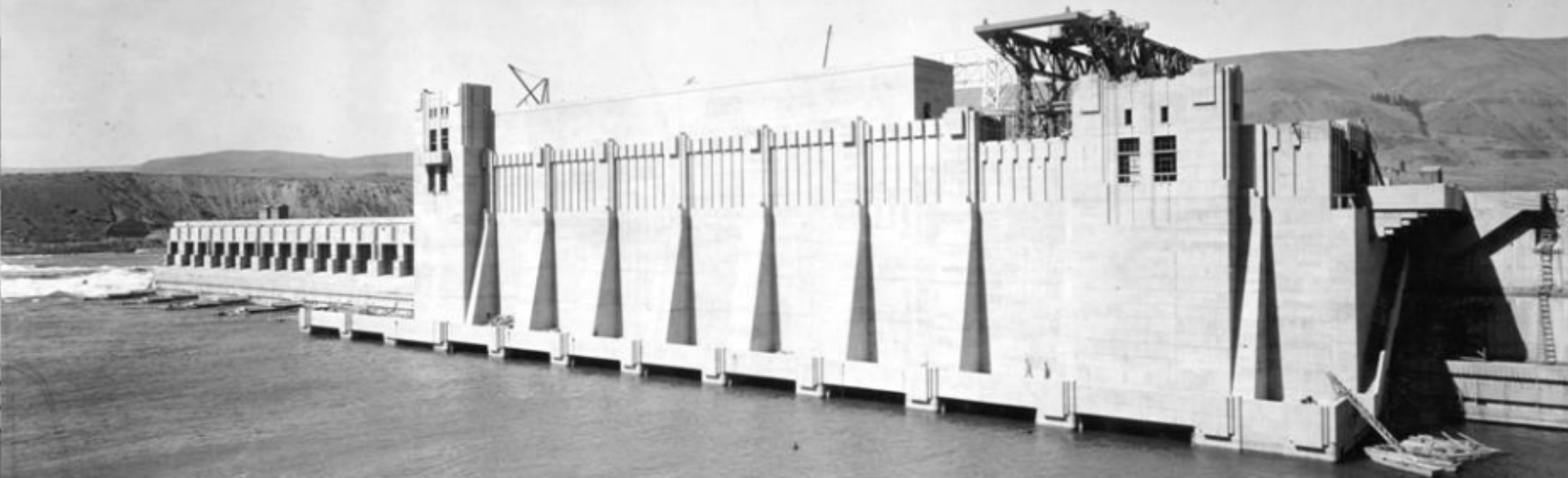


Bid 07-37

Rock Island B1-B4

Generator Modernization



WASHINGTON ELECTRIC CO.-HYDROELECTRIC STATION-ROCK ISLAND DEVELOPMENT
STONE & WEBSTER ENGINEERING CORPORATION, Bldrs.
J.O. 5579 *183 6-2-31 Downstream View of Initial Units N4159



**Units B1 – B4 were the first units on the
Columbia**

Original Installation 1931

Operated continuously until 1950's

Generators rewind 1950 – 1957

Intermittent operation from 1970's

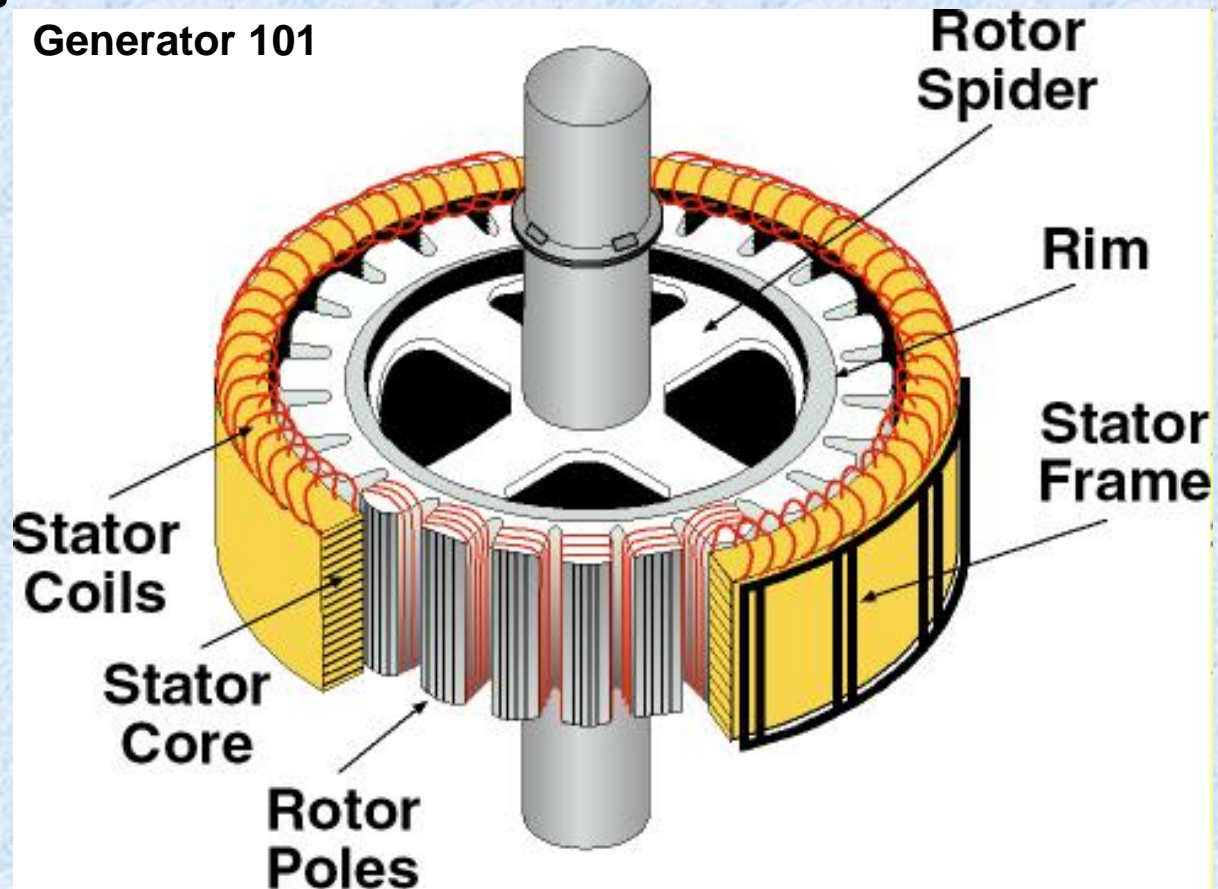
2001-2004 Studies Concluded: Need of replacement

July 2007, Board Authorized Bid 07-37 for new stators

PUGET SOUND POWER & LIGHT CO-HYDROELECTRIC STATION-ROCK ISLAND DEVELOPMENT
STONE & WEBSTER ENGINEERING CORPORATION, Builders
U.O. 5579 # 12-2-31 Looking South in Generator Room

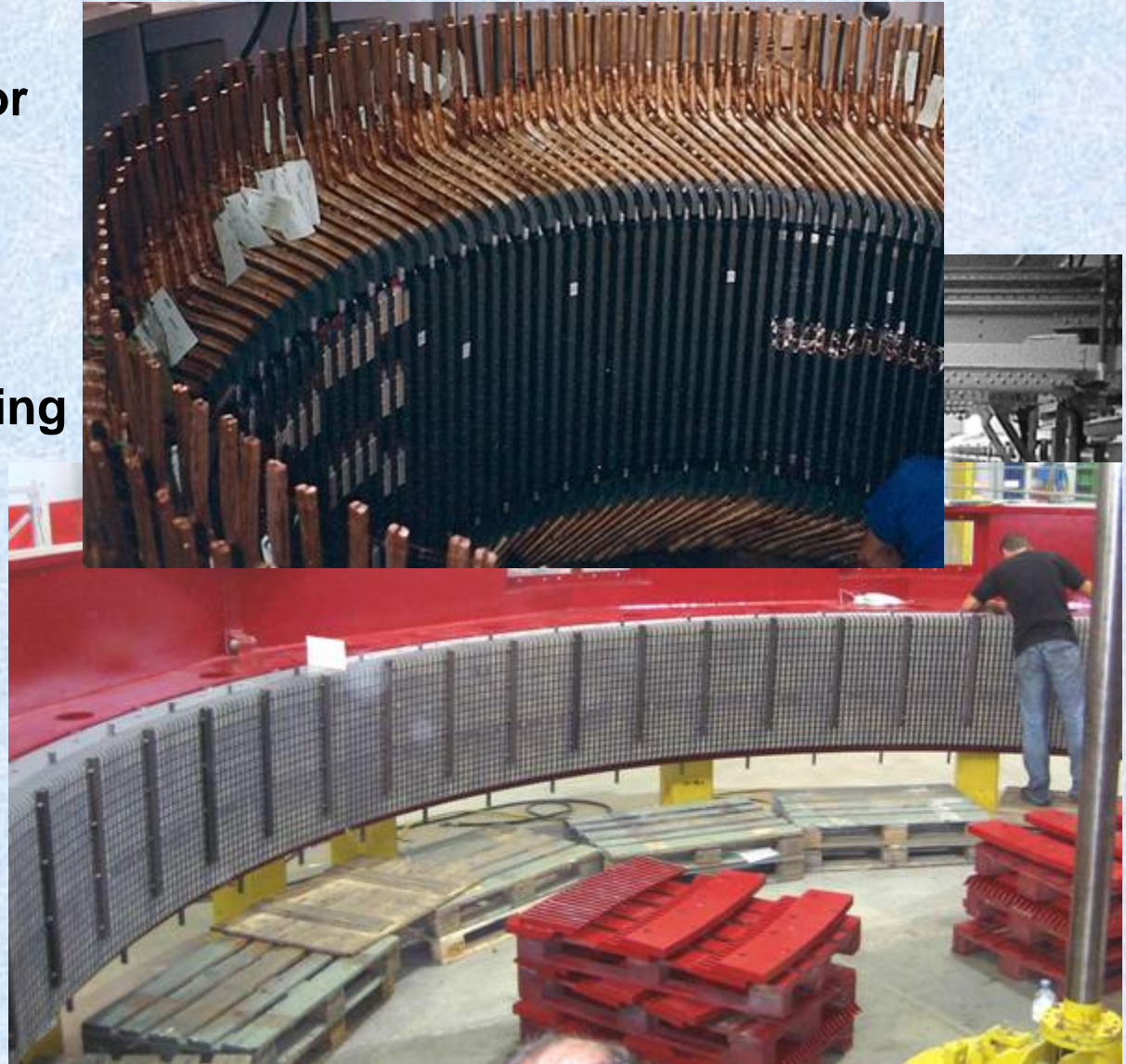
Generator Modernization Program

- ◆ New stator cores and windings (07-37)
- ◆ Repair rims, re-round
- ◆ New stator foundations (sole plates)
- ◆ Align to industry standards
- ◆ Return to service



Stator - Two Alternatives

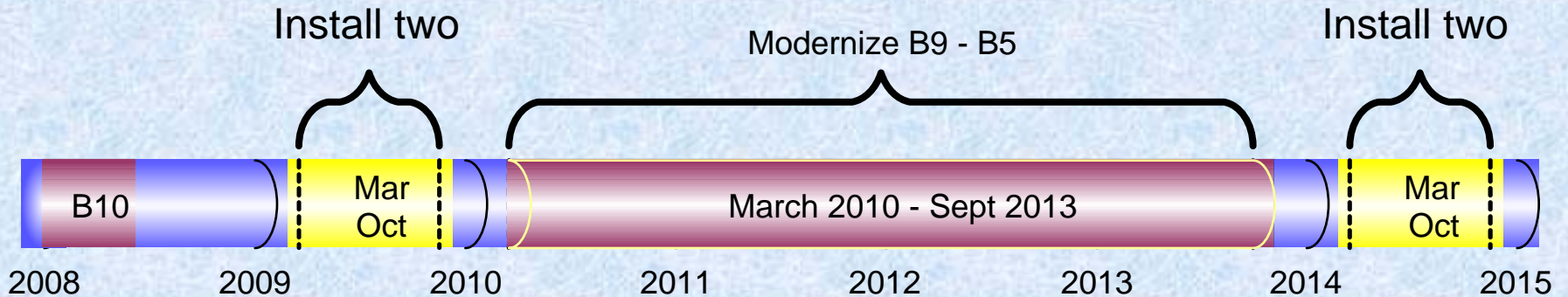
- ◆ **Alternative 1:** Supply only
 - ◆ **Best arrangement for installation to be determined**
 - ◆ **Includes technical advisors for installation and testing**
- ◆ **Alternative 2:** New factory assembled, new winding installed on site



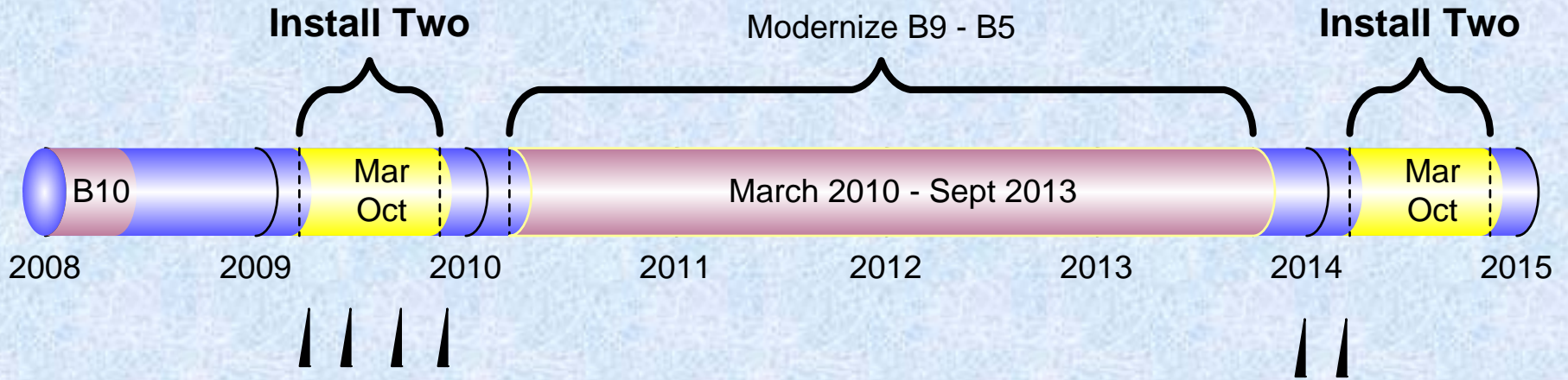
Installation Plan

Install two units in 2009
After B10 and before B9

Install two units in 2014
After B5 – B10 completed



Purchase Alternatives



Two units now, and two in storage until 2013/14
(contingency cost)

Stators - Bid 07-37

- ◆ **Authorized by Board July**
- ◆ **Four bids received in November**
- ◆ **Three were determined as non-compliant**
- ◆ **One compliant, Voith-Siemens Hydro**

Results

Bid Price Schedule	Voith-Siemens Bid Price
A1 – Two stators, stacked and wound at site	\$ 5,587,000 (2 units)
A2 – Four stators, stacked and wound at site	\$ 9,062,000 (4 units)
A3 – Two stators, factory stacked frames, wound at site	\$ 6,511,000 (2 units)
A4 – Four stators, factory stacked frames, wound at site	\$10,576,000 (4 units)

Recommendation

- ◆ **Award Bid 07-37 to Voith-Siemens Hydro for supply of four factory stacked stators**
- ◆ **Advantages over other alternatives**
 - ◆ Lowest total project cost
 - ◆ Reduced installation time
 - ◆ Reduced operational risk
 - ◆ Reduced installation risk

Contract Specifics

- ◆ **\$10,576,000 contract amount**
- ◆ **Warranty from delivery until 24 months after installation for units installed by 2014**
- ◆ **Performance and Payment Bond through delivery and acceptance**
- ◆ **Warranty bond for units installed by December 2010**

An aerial photograph of a large dam and reservoir. The dam is a long, low structure with a series of buttresses, spanning across a wide river. The reservoir is a large body of water behind the dam. The surrounding landscape is rugged and mountainous, with steep slopes and some vegetation. A road or path runs along the top of the mountains. In the foreground, there are some smaller structures and what appears to be a construction site or industrial area near the dam. The overall scene is a mix of natural and man-made elements.

Questions?