

Power Plant Technical Specifications

The preparation of technical specifications was the focus of the Project Team in November and December. This effort resulted in a specification containing eleven sections which is over 300 pages in length. This document represents SPP's expectations for what equipment will be supplied with the new power plant and how the plant will be laid out.

Steam Turbine Procurement

Solicitations for the steam turbine and EPC services both achieved major milestones in December. Steam turbine bids were received from six manufacturers. PB Power, the Owner's Engineer, will perform an initial evaluation and bid equalization of these proposals followed by an evaluation by the Project Team. A recommendation to enter negotiations with a single company should be expected in January.

EPC Services

The Request for Proposals (RFPs) for EPC services was issued to the three EPC companies found best qualified through the Request for Qualifications process in November. The RFP issue will be followed by a pre-proposal meeting in January, and a series of individual meetings in February. The RFP proposals are due March 19, 2010.

As a result of the RFQ process five EPC companies were not selected to receive the SPP Request for Proposal. These five companies were offered the opportunity to meet and discuss the qualification process. Four of these companies requested a de-brief meeting, and the meetings were held on December 14th.

Permitting

Permitting efforts continued with meetings at the Alaska Department of Environmental Conservation (ADEC) and the Municipality of Anchorage. The meeting with ADEC was a pre-application meeting to formally announce our intention to apply for an air quality permit under Title I. This was followed by a meeting with ADEC in Juneau to discuss details of the model required for the application. The application is expected to be issued to ADEC at the end of February 2010.

In order to begin building a relationship with the permitting agencies of the Municipality of Anchorage the Project Team met with representatives of Building Safety in December. This was the second such meeting, although the first was in 2006. The group was presented with the site layout and a description of the project, and they provided several good comments that will allow the project to proceed.

Procurement

The only major procurement item for SPP currently under contract is for purchase of the combustion turbine generators (CTGs). This contract was signed in November 2008 and the CTGs are in production at GE's facility in Texas. Delivery will begin in the summer of 2010.