

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

February 9, 2010

ACTION REQUIRED

AGENDA ITEM NO. VII.

- Information Only
 Motion
 Resolution
 Executive Session
 Other
-

TOPIC

Beluga Unit 6 "C" Inspection – Project Authorization.

DISCUSSION

Hot Gas Path parts within a gas turbine have limited lives due to operating environments involving high speeds, vibration, and temperatures. This outage will replace many of these parts. In 2010 virtually all major HGP parts are being replaced, the majority of which are in inventory. Specifically parts include Row 1-5 Blades, Row 1-5 Vanes, Hot Gas Casing, Vane Carrier, Heat Shields, Shield Cone, EV Burners, Inlet and Tip Seal Segments, Low Combustor Insert, Hex Rings and other miscellaneous parts.

MOTION

Move that the Operations Committee recommend the Board of Directors authorize the project expenditures for the Beluga Unit 6 "C" Inspection with an estimated cost of \$10,575,044 and an estimated completion of September 2010.

Chugach Project Authorization – Budget Year 2010

Project Name: BELUGA UNIT 6 “C” INSPECTION

Project Category:

Safety		Incremental Load Growth		New Service		R&R T&D	
Agency Mandated		Reliability		Operating Efficiency		R&R Generation	X

Accountabilities & Approvals

Signatures

Date

Board of Directors:	Alex Girmarc, Secretary	_____	___/___/___
CEO:	Brad Evans, CEO	_____	___/___/___
Executive Sponsor:	Paul Risse, Sr. VP Power Supply	_____	___/___/___
Project Manager:	Mike Henrich, Beluga Plant Mgr.	_____	___/___/___

Purpose

Hot Gas Path parts within a gas turbine have limited lives due to operating environments involving high speeds, vibration, and temperatures. This outage will replace many of these parts. In 2010 virtually all major HGP parts are being replaced, the majority of which are in inventory. Specifically parts include Row 1-5 Blades, Row 1-5 Vanes, Hot Gas Casing, Vane Carrier, Heat Shields, Shield Cone, EV Burners, Inlet and Tip Seal Segments, Lower Combustor Insert, Hex Rings and other miscellaneous parts.

Project Description:

This project replaces numerous hot gas path parts.

Approval Amount: \$10,575,044

Project included in **2010/2014 CIP** and **2010 Capital Budget** @ \$10,575,044

Category	Budget	Actual	Projected	Variance \$	Variance %	Notes
Labor	429,539		429,539	0	0%	
Transportation	42,000		42,000	0	0%	
Materials	9,425,849		9,425,849	0	0%	
Professional Services	450,000		450,000	0	0%	
OH	227,656		227,656	0	0%	
Total	10,575,044		10,575,044	0	0%	

Chugach Project Authorization – Budget Year 2010

Variance Discussion:

None

Cash Flows

1st Quarter 2010: \$780,000

2nd Quarter 2010: \$ 4,260,000

3rd Quarter 2010: \$1,000,000

Economic Analysis

The majority of this cost is capitalized maintenance.

Economic Analysis Summary

Replacement of capitalized parts.

Current Project Status: Percent Complete 5 %

Detailed planning underway. Parts are still being refurbished and some parts are being staged at Beluga for the outage.

Project Schedule:

July 8, 2010 – September 11, 2010.