EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a contract with **Basler Electric** for purchase of two exciter systems.

Board Meeting Date: April 7, 2020

Project Name/Contract #: Carmen Replacement of Basler Static Excitation Systems

Primary Contact: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount:	$350,000
Additional $ Previously Approved:	$0
Invoices over last approval:	$0
Percentage over last approval:	0 %
Amount this Request:	$350,000
Resulting Cumulative Total:	$350,000

Contracting Method:

Method of Solicitation: Direct Negotiation

If applicable, basis for exemption: Exemption – Sole Source

Term of Agreement: April 2020 to October 2021

Option to Renew? No

Approval for purchases *"as needed"* for the life of the Contract Yes☐ No☒

Proposals/Bids Received (Range): N/A; Direct negotiation

Selection Basis: Direct Negotiation; Sole Source

Narrative:

Operational Requirement and Alignment with Strategic Plan

In power generation, the excitation system, also referred to as the exciter, controls the terminal voltage of a generator. The exciter is a critical piece of equipment for the control and operation of a generator.

The existing Carmen exciters were installed in 1991 and are nearing the end of their operational life. The Unit 2 exciter exhibited an intermittent failure on January 28th 2020. Since this intermittent failure is symptomatic of a developing complete failure, it is recommended that the exciters be replaced as soon as possible while taking advantage of the already planned turbine/generator unit overhaul outages. The exciter replacements are currently budgeted in the CIP for 2022, but this work should be accelerated to help mitigate the risk of a complete exciter failure, which could lead to an unplanned extended outage. Replacement of the exciters will result in improved reliability of the Carmen turbine/generator units.

Contracted Goods or Services

Basler Electric is being contracted to provide complete digital exciter systems for both Carmen Unit 1 and Unit 2. Each exciter consists of the following equipment; excitation control cabinet, DECS-400 digital controller, SSE-N rectifier bridge, and power potential transformer. The procurement also includes spare parts, software, factory acceptance testing, and delivery to site. If approved, the Unit 2 exciter will be procured in 2020 and the Unit 1 exciter will be procured in 2021.

Prior Contract Activities

PO 12209	$9,480	1-18-18	Troubleshooting support for exciter
PO 9187	$14,100	3-14-17	Commission support for exciter
PO 9038	$31,718	1-11-17	Exciter upgrade kit installation

Purchasing Process
Not applicable; Direct negotiation

Competitive Fair Price (If less than 3 responses received)
The price of one new digital static excitation system can range between $150,000 and $200,000. Pricing varies between manufactures and is dependent on system complexity and equipment options.

ACTION REQUESTED:

Management requests the Board approve a contract with Basler Electric for the purchase of two exciter systems. Funds for the purchase were budgeted in the Carmen-Smith Capital Improvement Plan. The total Carmen-Smith Relicensing Type 3 budget for 2020 is $19.41 million, included in the total Electric Division budget of $48.4 million. Variances will be managed within the budget process and Board policy.