Westinghouse
Electric Corporation

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GNFS-91-063

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June 18, 1991

PLEASE ROUTE:

P. MCCLAIN
S. TALBERT
R. WILLIAMSON

Mr. David Blackwell
Purchasing Agent
Tennessee Valley Authority
16N 09A Chestnut Street Tower II
Chattanooga, TN 37401

Subject: Gallatin Fossil Renovation Project
New Insulation Blankets
TVA Contract 90PBJ-79024B-02

Dear Mr. Blackwell:

Pursuant to TVA's request for the provision and installation of insulation blankets to support the current rebuild efforts at Gallatin, Westinghouse Electric Corporation has obtained firm price quotations for asbestos abatement and insulation supply and services for the Gallatin combustion turbines. Westinghouse is pleased to provide the following insulation since it has been determined that the existing insulation is inadequate and not reusable. Since analysis of the insulation for asbestos content was not complete at the time of request, several workscopes have been priced.

1. Units 1, 2, and 3 - Remove cloth material at joints on exhaust transition and flat metal strips (at expansion joint), and remove pads from the IGV and fuel gauge cabinet located between the turbine and generator. Unit #4 - Remove insulation from the cylinders, remove the cloth material at joints on exhaust transition and flat metal strips (at expansion joint), and remove insulation from the exciter end generator lube oil piping.

   The firm price obtained for this workscope is $29,739.56.

2. Remove insulation from the tank, valves, fittings, and piping in the fuel oil skids.

   The firm price obtained for this workscope is $4,200.00 per unit.

3. Remove the insulation from the exciter end generator lube oil piping on units 1, 2 and 3.

   The firm price obtained for this workscope is $3,000.00 per unit.

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PLAINTIFF'S EXHIBIT
W4-268

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4. Furnish and install reusable insulation blankets for unit #4 turbine. The insulation blankets will utilize 8# density, 1200 degree F. ceramic fiber in thicknesses as required with an .011" diameter knitted wire mesh hot face over a silicone impregnated fiberglass cloth outer layer.

   Insulation of air and fuel manifolds, piping or tubing is not included, but can be firm priced once installed.

   The firm price obtained for this scope is $60,002.00.

5. Fabricate insulation blankets per item (4) for the other units at this time. The price obtained for this scope is $[illegible],300.00 per unit. This price does not include installation of the blankets. TVA would be responsible for the storage of the blankets until needed upon reassembly of the units.

   As an option the insulation blankets can also be fabricated using an ERCO-Sil 36S outer cover. The price obtained for this option is $16,500.00 per unit. It is our understanding that one of the Gallatin steam turbines has been insulated recently using this outer cover material.

   These workscopes and prices were quoted by Global Power Company located in Waverly Tennessee. Westinghouse would sub-contract Global to perform any or all of the above workscopes and bill TVA actual cost plus 25%. Work required that is in addition to the above defined scopes, once approved by TVA would be performed and billed at actual cost plus 25%.

This material may be purchased under the existing CT Contract for Combustion Turbine Renovation and Maintenance, 90PBJ-79024B-02. Terms and conditions of that contract will apply. Prices are firm for the quoted material and labor.

This offer is valid for 30 days, unless otherwise extended, modified, or withdrawn, in writing, by Westinghouse. The return of a purchase order or any other reasonable manner of acceptance communicated to Westinghouse during the validity period will be sufficient to form an agreement on the terms and conditions of this offer, including the referenced CT Contract 90PBJ-79024B-02.

This offer and any subsequent communications relative to this offer are considered to be proprietary information of Westinghouse Electric Corporation. Accordingly, do not publish, use, reproduce, transmit, or disclose to others outside your organization any information contained in this offer without the prior written consent of Westinghouse.

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Thank you for the opportunity to offer this service. If you have any questions, please call me.

Very truly yours,

for Stephen J. Talbert

Stephen J. Talbert
Sales Engineer
Generation & Nuclear Field Sales

SJT/vc

cc: Chuck Bathen - TVA Area Coordinator, Colbran Fossil Plant - C.T. Site
David Mullin - TVA CT Maintenance - BR 3B-C
P. Terry Myers - TVA CT Maintenance Manager - BR 3B-C

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DALLAS COUNTY CASES
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3/18/92