

## AGENDA



Thursday, August 20, 2009

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 20**

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**Subject:** Authorize award and execution of Amendment No. 2 to a contract with HPI, LLC, Houston, TX to increase the contract amount for the upgrade of the gas turbine controls at Decker Creek Power Station in an amount not to exceed \$156,000, for a revised total estimated contract amount not to exceed \$1,933,269.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2008-2009 Capital Budget of Austin Energy.

**Fiscal Note:** A fiscal note is attached.

**For More Information:** Shawn M. Harris, Buyer II/505-7351

**Purchasing Language:** Contract Amendment.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Electric Utility Commission.

**Prior Council Action:** November 20, 2008, approved original contract; May 14, 2009, approved Amendment No. 1.

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On November 20, 2008, Council approved the award of a contract with HPI, LLC in an estimated amount not to exceed \$1,597,769.

This contract is to upgrade the controls and control wiring for the four Pratt & Whitney FT4C-1 Twin Pac gas turbine generators operating at the Decker Creek Power Station. The wiring and controls on the turbines are 40 years old and have been degrading over time leaving portions of the controls obsolete and difficult to maintain. This upgrade is necessary to sustain the reliability and availability of these units, which also serve as Austin Energy's only "Blackstart Units." A "Blackstart Unit" is an electricity generating unit which can be started without an outside electrical supply so in the case of a total power grid failure, the unit could still be started and used to generate electricity to start generators at all other Austin Energy facilities.

On May 14, 2009, Council approved Amendment No. 1 which allowed for changes in the control system architecture to improve the cyber security of the system per the new North American Electric Reliability Corporation's (NERC) Critical Infrastructure Protection standards adopted with an effective date of April 1, 2009, which were not available at the time the original contract was approved.

Proposed Amendment No. 2 would allow for the installation of Generator Vibration Probes on all four Decker Gas Turbines including the integration into the new control system. This is necessary in maintaining the generators for all four units, and will result in reducing costly outages. It will also provide

for safer operation as vibrations in the units will be immediately detected by the new control system and relayed to plant operators.