



Williams/Via

RESOLUTION NO. 6694

WHEREAS, the Sarpy County Station Units 4 and 5 ("SC 4 & 5") fuel and water control valve assemblies are obsolete; and

WHEREAS, the District's Engineer has certified that the original equipment manufacturer, Mitsubishi Power Aero LLC ("Mitsubishi"), is the only available source to offer the technologically complex upgrade package specifically designed for these fuel and water control valve assemblies; and

WHEREAS, pursuant to Nebraska Revised Statute Section 70-637 (as amended), and upon approval of the Engineer's Certification by the Board of Directors, the District may negotiate and enter into a contract or contracts related to such project without sealed bidding.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Omaha Public Power District that:

1. The Engineer's Certification that Mitsubishi, the original equipment manufacturer, is the only qualified supplier to offer the technologically complex upgrade package specifically designed for the fuel and water control valve assemblies needed for Sarpy County Station Units 4 and 5 is hereby approved.
2. Management is hereby authorized and directed to negotiate and enter into the necessary contract or contracts with Mitsubishi to supply the upgrade package specifically designed for the fuel and water control valve assemblies for Sarpy County Station Units 4 and 5, subject to review and approval of the final contract(s) by the District's General Counsel.
3. The notice required by Nebraska Revised Statutes Section 70-637 shall be published in the Omaha World Herald, or other similar newspaper of general circulation.



MEMORANDUM

DATE: March 7, 2025

UO-2025-003

FROM: S.A. Eidem

TO: T. R. Via

SUBJECT: Sarpy County Station Units 4 and 5 Engine Control Valve Upgrade

1.00 GENERAL

Request for Proposal (RFP) No. 6188 is for the design, material, fabrication, and site delivery requirements of the Engine Control Valve Upgrade at Sarpy County Station Units 4 and 5 (SC 4 & 5).

The current Engine supplied hydraulic fuel (natural gas and fuel oil) and water control valve assemblies on the FT8-1 Twin Pac units at SC 4 & 5 are obsolete. Woodward no longer manufactures these valves and any remaining support for potential repairs ends in 2027. Limited onsite spares are available. Mitsubishi Power Aero LLC, the OEM for the above units, changed the control valve design from hydraulic to electric shortly after the District commissioned SC 4 & 5 in 2000. Therefore, spares of the existing valve design are limited nationwide as well.

The Original Equipment Manufacturer (OEM) is the only qualified source to design the technologically complex upgrade package to retrofit the obsolete fuel and water control valve assemblies, thus eliminating the need for a complete Unit replacement once the valves are no longer functional.

2.00 RECOMMENDATION

Since the OEM is the only qualified supplier to offer the technologically complex upgrade package specifically designed for these fuel and water control valve assemblies, it is recommended the Board of Directors authorize District Management to negotiate a contract with the OEM.

An Engineer's Certificate of the above has been prepared. Approval of the Certificate is recommended. We request the Board of Directors to approve the Engineer's Certificate and authorize District Management to enter a negotiated contract with Mitsubishi Power Aero LLC for the design and procurement of upgraded fuel and water control valve assemblies in support of Sarpy County Station Units 4 & 5 reliability.

DocuSigned by:

Scott A. Eidem, P.E.

S.A. Eidem, P.E.

Director, Engineering Services
Utility Operations

ENGINEER'S CERTIFICATE

The Mitsubishi FT8-1 Twin Pac engine hydraulic fuel and water control valve assemblies installed at the District's Sarpy County Station Units 4 and 5 (SC 4 & 5) are obsolete. Woodward, the control valve manufacturer, has discontinued manufacturing of the hydraulic fuel, gas, and water control valves and ends complete support in 2027. Therefore, the District must upgrade the fuel and water control valve assemblies. Mitsubishi Power Aero LLC is the original equipment manufacturer (OEM) for the FT8-1 Twin Pac units.

Pursuant to Nebraska Revised Statute Section 70-637(4), the undersigned professional engineer employed by the District certifies that Mitsubishi Power Aero LLC (acquired the original manufacturer Pratt & Whitney Power System, Inc.) is the current original equipment manufacturer (OEM) for the fuel and water control valve assemblies described above and is the sole qualified source of design and supply of the technologically complex and unique equipment and such purchase would be in compliance with standards established by the Board of Directors. In support of this Certificate, the undersigned further states as follows:

- The OEM upgrade is designed specifically to retrofit the existing FT8-1 Twin Pac engines on the units specified above.
- The obsolete valves were discontinued by the OEM shortly after original commissioning of SC 4 & 5 in 2000. The OEM began using electrically controlled valves, which respond quicker and are more reliable.
- A phased-out approach of the current hydraulic obsolete valves will utilize limited available spares until major engine overhaul maintenance outages occur.
- Mitsubishi Power Aero LLC, the OEM of the engines and fuel and water control valve system, has specific knowledge related to the engine system.

For the reasons stated above, the use of the sealed bid process to award this contract is impractical and not in the public interest. Pursuant to Section 70-637(4) of the Revised Statutes of Nebraska, the Board of Directors is requested to approve this Engineer's Certificate and authorize Management to enter a negotiated contract with Mitsubishi Power Aero LLC for the design and procurement of the technologically complex and unique fuel and water control valve assemblies on the Mitsubishi FT8-1 Twin Pac engines installed at SC 4 & 5 without compliance with the sealed bidding requirements of Sections 70-637 through 70-639 of the Nebraska Revised Statutes.

I, Ronald E. Stohlmann (registered Professional Engineer in the State of Nebraska), certify the above to be true and correct to the best of my knowledge and belief.


Ronald E. Stohlmann, P.E., PMP



3-3-2025
Date



Troy F. Meyerson
ATTORNEY
402.978.5347
tmeyerson@fraserstryker.com
fraserstryker.com

March 18, 2025

Omaha Public Power District
444 South 16th Street
Omaha, NE 68102

RE: Sarpy County Station Units 4 & 5 Woodward Control Valve Upgrade

Ladies and Gentlemen:

We have reviewed the Engineer's Certification of Mr. Ronald E. Stohlmann, P.E., PMP, a registered professional engineer in the State of Nebraska employed by the District. The Certification states that it is necessary to replace the fuel control valve assemblies installed at the District's Sarpy County Units 4 and 5 ("SC 4 & 5") because they are obsolete. The Certification further states that Mitsubishi Power Aero LLC ("Mitsubishi") is the sole qualified source of design and supply for the replacement fuel control valve assemblies and such equipment is technologically complex and unique. For these reasons, Mr. Stohlmann further certifies that it would be impractical and not in the public interest to use sealed bidding for this project.

Section 70-637 of the Nebraska Revised Statutes authorizes the District's Board of Directors, by a two-thirds vote, to approve an Engineer's Certification for technologically complex projects for which sealed bidding would be impractical and not in the public interest, and to authorize the District to enter into a contract to complete the project. The District is required to advertise its intention to enter into any such contract in three (3) issues of a newspaper of general circulation within the District's service area, with not less than seven (7) days between issues. The contract cannot be entered into sooner than twenty (20) days after the last advertisement.

It is our opinion that Mr. Stohlmann's Engineer's Certification complies with Section 70-637 and is in a form that is appropriate for approval by the District's Board of Directors. Therefore, the Board of Directors may approve the Engineer's Certification and authorize Management to negotiate and enter into the necessary contract with Mitsubishi for the SC 4 & 5 control valve upgrade. We recommend that any such contract be subject to review and approval by the District's General Counsel.

Very truly yours,

Troy F. Meyerson
FOR THE FIRM

3367111



Omaha Public Power District
BOARD OF DIRECTORS

Action Item

March 18, 2025

ITEM

Sarpy County Station Units 4 and 5 Engine Control Valve Upgrade

PURPOSE

Board of Directors' authorization for the District to enter into a negotiated contract with the original equipment manufacturer for the design, material, fabrication, and site delivery requirements of upgraded fuel and water control valve assemblies for Sarpy County Station Units 4 and 5 (SC 4 & 5).

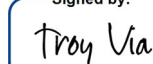
FACTS

- a. The fuel and water control valve assemblies for SC 4 & 5 are obsolete. Replacement valves are no longer available from the manufacturer, challenging continued reliable operation of these generation units. SC 4 & 5 have limited fuel and water control valve spares.
- b. Mitsubishi Power Aero LLC, the original equipment manufacturer (OEM), is the only qualified source of design and supply for an upgrade package to replace the obsolete equipment without the need for a complete engine replacement.
- c. The District's engineer has certified that the OEM is the only vendor capable of providing the technologically complex upgraded fuel and water control valve assemblies and therefore, OPPD is not required to utilize the statutory sealed bid process for this contract.


ACTION

Authorization by the Board to allow District Management to enter a negotiated contract with Mitsubishi Power Aero LLC for the procurement of fuel and water control valve assemblies on Sarpy County Station Units 4 and 5.

RECOMMENDED:

Signed by:

 181107221FA24AE...
 Troy R. Via
 Vice President – Utility Operations
 and Chief Operating Officer

APPROVED FOR BOARD CONSIDERATION:

Signed by:

 AC399FDCE50247E...
 L. Javier Fernandez
 President and Chief Executive Officer

Attachments: Letter of Recommendation
Engineer's Certificate
Legal Opinion
Resolution