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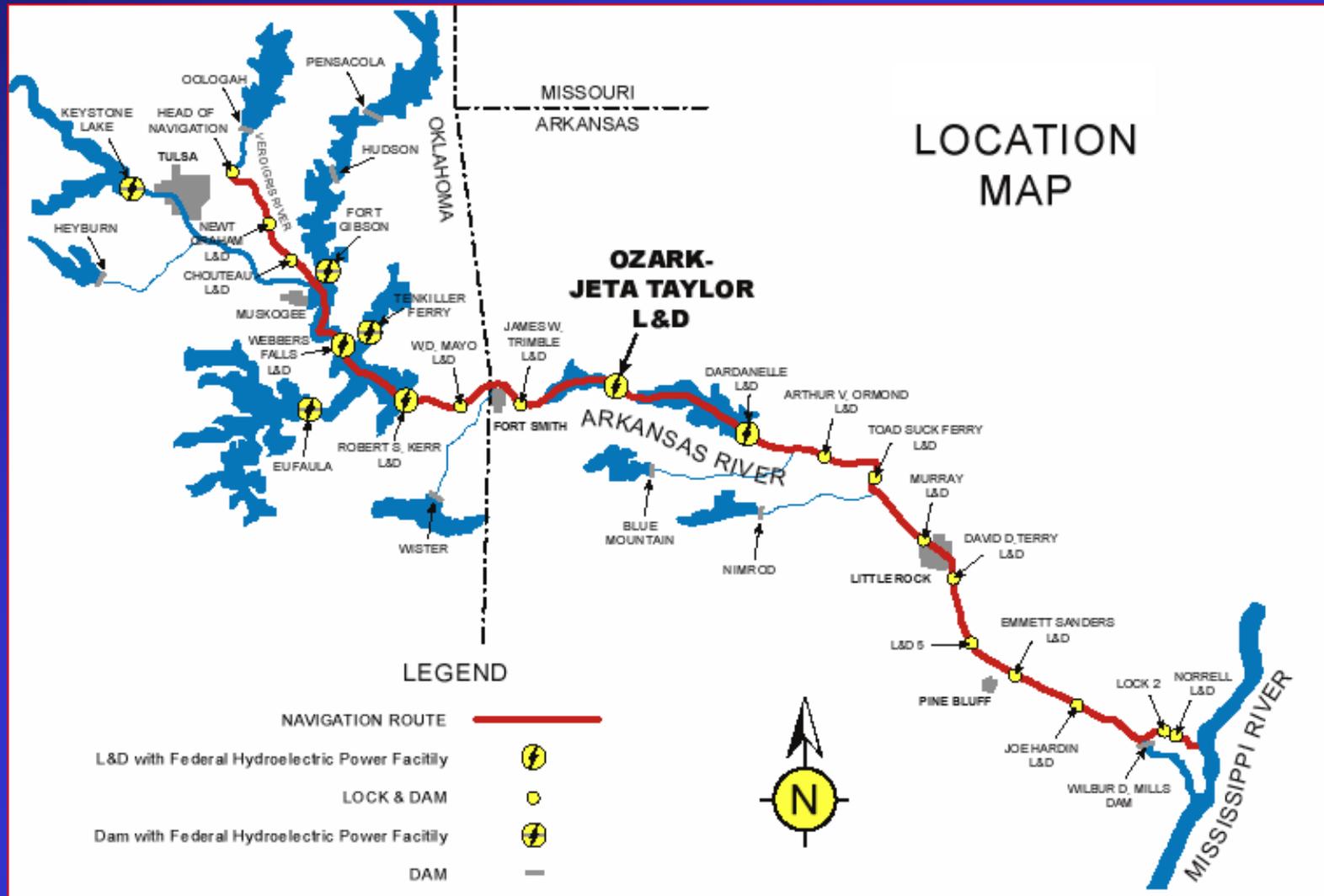
OZARK MAJOR REHABILITATION PROJECT

Lee Beverly
Little Rock District



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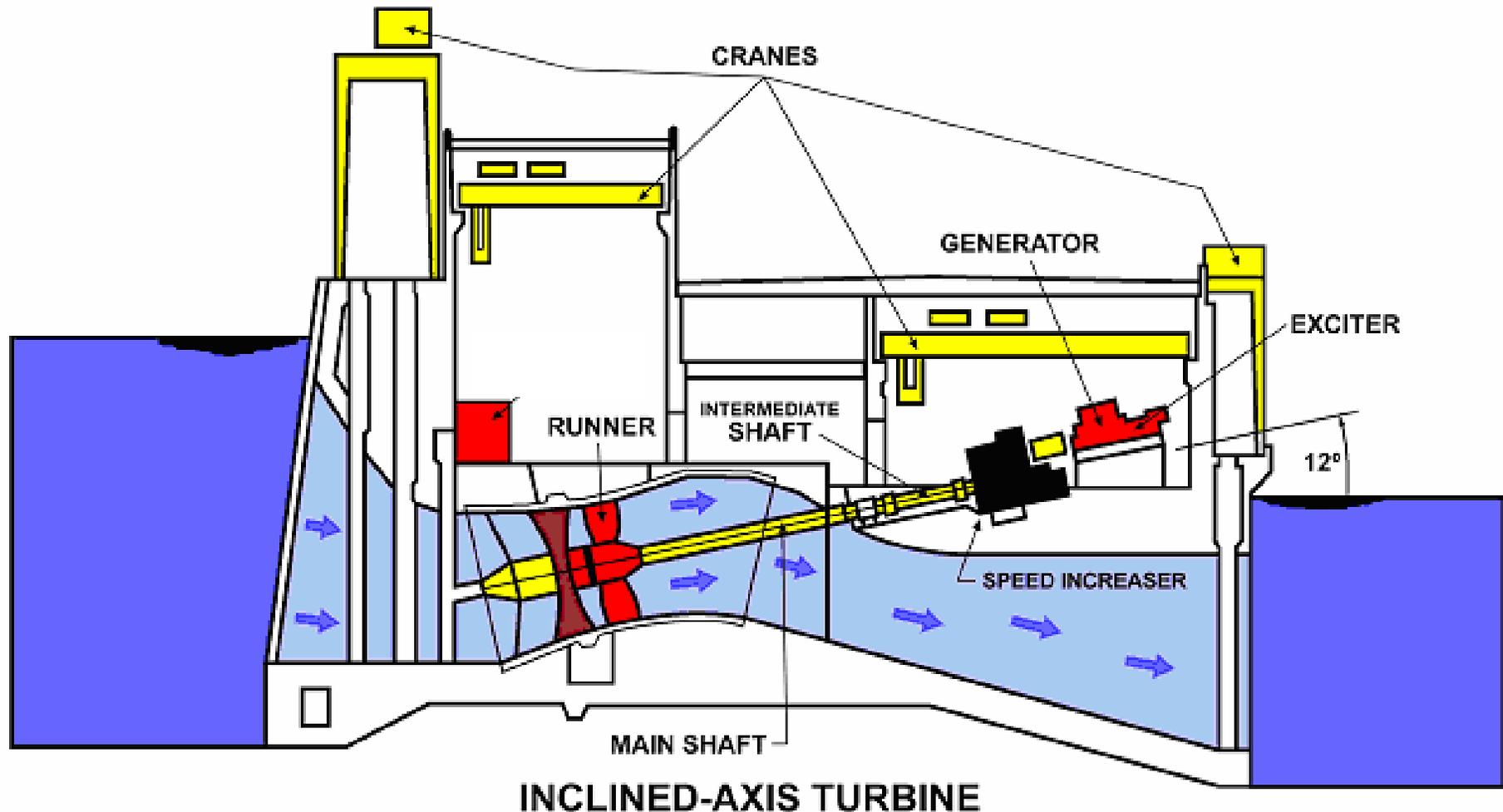
Ozark Powerhouse Location





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Powerhouse X-Section





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Turbine Replacement Contract



- **Contractor- Andritz Hydro Corp (formerly VA Tech Hydro)**
- **Current Contract Value- \$83 Million**
- **51 Modifications to Date- \$5.8 Million**
- **Notice to Proceed Issued- July 2005**
- **Major Components for All 5 Units are either Complete or in Fabrication**
- **Contract Required Completion Date- April 2013**



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Unit 4 New Runner Assembly





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Unit 4 Stub Shaft Removal





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Unit 4

Wicket Gate Barrel

Removal





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Unit 4 Discharge Ring Repair





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Unit 4 Discharge Ring Repair





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Unit 4 Discharge Ring Repair





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Sitework Milestones



- **Site Mobilization** **September 2007**
- **Unit 4 (1st unit) Disassembly complete** **August 2008**
- **Unit 4 Stay Vane Repair Complete** **December 2008**
- **Unit 4 Discharge Ring Repair Begins** **June 2009**
- **Unit 4 Discharge Ring Repair Complete** **October 2009**
- **Unit 4 Reassembly Complete** **April 2010**



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Project Funding



- **Federal Appropriations to Date** **\$44,552,000**
 \$22,600,000 in FY 08
 \$16,550,000 in FY 09
- **Customer Funding to Date** **\$20,100,000**
- **Balance to Complete** **\$32,700,000**
 Includes \$3,800,000 Contingency



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Project Issues

- **Slow Performance Is Impacting Completion Date**
- **Unit 4 As-Found Conditions-**
 - Discharge Ring is Out-of-Round**
 - Wicket Gate Barrels are Mis-Aligned**
 - Stub Shaft Bearing Housing is Mis-Aligned**
 - Estimated U4 Repair is \$2-4 Million Plus Time**
- **Project FY 10 Funding is Zero**



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Funding Issues

- **The Project Has Been Recommended for Termination Due to 1.8 Benefit/Cost Ratio**
- **Zero Funding in the President's Budget for FY 2010**
- **Existing Funding May be Depleted by December 2009 Under the Current Schedule**
- **If No Source of Funding is Identified For FY 10, The Contractor Must Stop All Work.**



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Recommendations



- **Customers, Corps and SWPA Communicate the Funding Issue to Congressional Delegation**
- **Corps Investigate Additional Funding Sources**
- **Proceed with a \$15 Million Customer Funding Agreement as a Safety Net for FY 10, to Be in Place by December 2010.**