

## HYOSUNG HEARING EXHIBIT 1 – LIKE PRODUCT DEFINITION

	High Line System Voltage	MVA
Category A	69 to Less Than 345 kV	60 MVA and Above
	345 kV	60 to 300 MVA
Category B	345 kV	Above 300 MVA
	Greater Than 345 kV	60 MVA and Above

**HYOSUNG HEARING EXHIBIT 2 - EXCERPT FROM NPPD BID CRITERIA**

Page G-11

7. Core

The core and its clamps shall form a rugged unit structure which shall maintain its position and form under the most stresses encountered in shipment, installation, and short circuit, protecting the windings and insulation against mechanical injury.

Core construction shall be cylindrical in design and built with high grade, grain oriented silicon steel laminations normally a 9 mil thick sheet with a grade of M-1, 2, or 3 steel. Each lamination shall be split, mitered, deburred, stress relieved, insulated, and stacked to eliminate edge ripple, edge build, mechanical strains, and cross-grain flux flow. Rectangular or elliptical coil construction is not acceptable. If shell type construction is utilized the coils shall be of a pancake shaped design. The DISTRICT'S preferred core design is shell form. The core design will be used as an evaluation factor

Page G-45

12. The DISTRICT'S preferred core design is shell form. The core design will be used as an evaluation factor. State the type of transformer core/coil assembly (core or shell) and the type of oil preservation system used in these four (4) new main power transformers

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Page H-2

The DISTRICT will evaluate the bids using the weights and categories listed in the table below. As an example of how the evaluation will be completed, note the following:

If the bidder chooses to ship by rail, the bidder will not receive 7.5% of the score (1/4 of the 30% listed for this area)

If the bidder chooses Core form, the bidder will not receive 7.5% of the score (1/4 of the 30% listed for this area)

Other areas are evaluated in a similar manner, with the exception that the area of "Price" is based upon a summation of the costs calculated in this category and the resulting lowest price gets the full 40% for this area. Higher "Price" bids will receive a lower prorated score.

<u>Area Evaluated</u>	<u>Scoring Factor</u>	<u>Weighting Factor</u>	<u>Weighted Score</u>
Price <ul style="list-style-type: none"> <li>• Bid Price</li> <li>• Losses at \$5,012 per KW no load losses, \$3,033 per KW load losses and \$1,500 accessory losses</li> <li>• Cost of money for alternate payment plan</li> </ul>	x	40%	=
Manufacturer Experience <ul style="list-style-type: none"> <li>• Reference Evaluation</li> <li>• Industry Experience</li> <li>• Business History</li> </ul>	x	30%	=
Design Quality & Conformance to Technical Specifications <ul style="list-style-type: none"> <li>• <u>Shell Form versus Core Form</u></li> <li>• Electrical Efficiency</li> <li>• Plant Facility</li> <li>• Delivery Methods</li> </ul>	x	30%	=
Total	x	100%	=

**HYOSUNG HEARING EXHIBIT 3**  
**PROGRESS ENERGY'S EVALUATION CRITERIA**

5. **PROPOSAL EVALUATION CRITERIA.**

Proposals will be evaluated on the basis of the information required by the Form of Proposal and assessed by Company including, but not limited to, the following criteria, which is not necessarily listed in the order of importance:

- 5.1. The general feasibility of the Bidder's ability to meet the Technical Specification
- 5.2. The complexity of installation and adjustment of Equipment; the fit and finish of the Equipment and components
- 5.3. Bidder's performance relative to delivery and inspection
- 5.4. The overall quality of the Bidder's manufacturing facilities and assessment
- 5.5. The evaluated cost of the Equipment and Services
- 5.6. The overall quality and performance of Equipment and Services offered by the Bidder
- 5.7. Bidder's warranty offer and technical support commitment
- 5.8. Bidder's service after receipt assessment such as emergency response, routine service, etc.
- 5.9. Bidder's agreement with the terms and conditions
- 5.10. Creative proposal options (continuous improvement savings opportunities, etc.)
- 5.11. The comprehensiveness of the Bidder's Proposal
- 5.12. Supplier's classification as a diverse supplier or the extent to which supplier is a diverse supplier or utilizes diverse suppliers as subcontractor(s) and suppliers towards achievement of company's diverse supplier utilization goal, and demonstrates that they have made good faith efforts to provide maximum practicable subcontracting opportunities to diverse suppliers.

6. **COMPANY'S BID PROCESS**

Based on our review of all RFPs, select Bidders will be invited to participate in an in-depth discussion of their proposal, to ensure a clear and thorough understanding by both parties. This secondary process will not be extended to all Bidders. Company specifically reserves the right to negotiate agreements with only the Bidder(s) it selects as a result of this RFP process.

7. **COMPANY'S RIGHT TO REJECT PROPOSALS.**

Company reserves the right to reject any or all proposals, including without limitation the rights to reject any or all nonconforming, non-responsive, irregular or conditional proposals and to reject the proposal of any Bidder if Company believes that it would not be in the Company's best interest to make an award to that Bidder.

Bidder must agree that such rejection shall be without liability on the part of Company nor shall Bidder seek any recourse of any kind against Company because of such rejection. Bidder's filing of any Proposal in response to this Request for Proposal shall constitute Bidder's agreement to these conditions.

All unsuccessful bidders will be notified by Company in writing in the event another supplier is awarded the Work.

8. **BIDDER'S FINANCIAL DATA AND SECURITY.**

If Bidder is a publicly traded company, Bidder shall be in full compliance with the Public Company Accounting Reform and Investor Protection Act of 2002 (Sarbanes Oxley). If Bidder is not a publicly traded company, Bidder shall certify that it is aware of the requirements of the Public Company Accounting Reform and Investor Protection Act of 2002 and is in compliance with the requirements and spirit of that act.

In addition, the Bidder shall supply a Statement of Financial Condition including Bidder's latest audited financial statement, which shall include:

- 8.1. Current and previous three years Income Statements
- 8.2. Current Balance Sheet
- 8.3. Name of firm preparing statements
- 8.4. Latest Annual Report and 10K reports

**HYOSUNG HEARING EXHIBIT 4**

**CITY OF AUSTIN'S MINIMUM MANUFACTURING EXPERIENCE CRITERIA**

**CITY OF AUSTIN  
PURCHASING OFFICE  
SUPPLEMENTAL PURCHASE PROVISIONS (IFB)  
THREE PHASE POWER TRANSFORMERS**

**17. MINIMUM MANUFACTURE QUALIFICATIONS**

- A. The contractor shall have designed, fabricated, tested and delivered a minimum of twenty (20) transformers of the same basic ANSI/IEEE design as bid to Austin Energy with one winding being 138 kV or greater in the past five (5) years at the transformer facility to be used to produce the transformers for Austin Energy. No exceptions to this requirement will be considered.
- B. The contractor shall have designed, fabricated, tested, and delivered a minimum of ten (10) transformers of the same basic ANSI/IEEE design as bid to Austin Energy with equivalent MVA parts of 10 MVA per phase or greater in the past five (5) years at the transformer facility to be used to produce the transformers for Austin Energy. No exceptions to this requirement will be considered.
- C. The contractor shall include, as part of the bid submittal, a tabulation of at least the minimum number of transformers produced at the manufacturing facility offered to clearly indicate compliance with the requirements in Section 22 A and B. The tabulation shall include the purchaser (company name, location, contact person, contact person's telephone number, etc.), MVA rating, Voltage rating (HV and LV), and year of manufacturer.
- D. The contractor shall provide installation and maintenance staff and a service facility for the five- (5) year warranty period in North America. The contractor shall state in the bid the location of the installation and maintenance staff also state where the service facility is located. The contractor shall maintain a complete and ready inventory of spare parts for the five- (5) year warranty period. Austin Energy reserves the right to inspect the service facility prior to awarding a contract.
- E. The contractor must provide evidence to Austin Energy with the bid to verify minimum qualifications outlined in Section 22 A, B, C, and D.

**18. CONTRACTOR QUALIFICATION AND BID AWARD PROCESS**

- A. Austin Energy will award the bid based upon low qualified bid meeting the requirements of the Specifications, Terms and Conditions and Bid Sheet specified in the Invitation for Bid. The bids will be evaluated as per the requirements outlined in the Specifications, Terms and Conditions, and Bid Sheet. The apparent low bidder meeting the requirements of the Specifications, Terms and Conditions, and Bid Sheet specified in the Invitation for Bid will be further evaluated to ensure that the bidder meets Austin Energy minimum standards for qualified bidders on this type of equipment. The evaluation of the apparent low bidder will take place at the bidder's manufacturing facility. The evaluation will be conducted by a team of Austin Energy Engineers. The Following criteria will be evaluated.

## HEARING EXHIBIT 5

### Failure Rates Requested by customers in their RFPs:

#### Example 1

Total test floor failures (where you had to untank the unit). Go back 5 years and provide quantities by year.
Total test floor failures (no untanking needed). Go back 5 years and provide quantities by year.
Test floor failures: What do you consider a test floor failure? Explain.
Field failures: Provide a full list of field failures that required returning the unit to the shop for repairs. Break down by year for last 5 years.
Field failures: Provide a full list of field failures that were able to repair on-site. Break down by year for last 5 years.
Field failures: Provide the age (in months) of units at time of failure. Break down by year for last 5 years.

#### Example 2

Please provide your current failure rates for Single Phase 230kV GSU Transformers over the past 5 years. Please specify the type of failure and rate percentages for each.

- Wiring and controls errors (if applicable)
- Defective materials or parts
- Equipment out of spec/tolerance
- Insulation/dielectric failures
- Improper application of materials
- Device or system failures

### Example 3

#### Field Statistical Information (last 10 years)

Number of similar units delivered and energized

Number of "Service Years"

Number of unit failed in the field

In Factory Statistical Information (last 10 years)

Number of units tested at the factory

Number of units had any reported Incident

Number of units with incident that required untanking

**HYOSUNG HEARING EXHIBIT 6**

**GRANT COUNTY BID AWARD**

Attorney review See email  
 Auditor review \_\_\_\_\_  
 Manager review \_\_\_\_\_

# For Commission Review - 9/12/11

## RESOLUTION NO. XXXX

A RESOLUTION ACCEPTING A BID AND AWARDING  
 CONTRACT NO. 370-3113, FOR SUPPLYING FIVE (5) GSU POWER  
 TRANSFORMERS WITH SPARE PARTS AND ONE (1) OPTIONAL SPARE  
 TRANSFORMER FOR WANAPUM DAM

### Recitals:

1. Bids were publicly opened on August 16, 2011 for Contract 370-3113, for Supplying five (5) GSU Power Transformers with Spare Parts and one (1) Optional Spare Transformer for Wanapum Dam;
2. Bid proposals were received from the following suppliers/contractors and evaluated by the District's staff;

Engineer's Estimate	\$11,189,500.00
Siemens Energy, Inc.	\$9,435,900.00
Hyundai Heavy Industries Company	\$9,585,946.00
Efacec USA, Inc.	\$11,030,450.00
CG Power Systems Canada, Inc.	\$11,981,345.00
ABB, Inc.	\$13,080,328.00
Waukesha Electric Systems, Inc.	\$13,178,535.00
SMIT Transformer Sales, Inc.	\$13,184,803.51
HICO America Sales, Inc.	\$13,742,140.00
Balding Tan Wei Baobian	\$18,284,000.00
Hitachi Power Systems America, Ltd.	\$19,385,000.00

3. The District's engineers, in accordance the bid evaluation criteria contained in the contract documents, have applied evaluation factors for various energy efficiencies which were intended to compare the proposals fairly;

Resulting in the following evaluated bid prices:

Bidder	Original Price	Energy Loss Adder	Total Evaluated Price
Hyundai Heavy Industries Company	\$9,585,946	\$675,000	\$10,261,041
Siemens Energy, Inc.	\$9,435,900	\$1,107,481	\$10,543,381
Efacec USA, Inc.	\$11,030,450	\$960,890	\$11,991,340
CG Power Systems Canada, Inc.	\$11,981,345	\$38,775	\$12,020,120

BRACKETING OF BPI NOT FINAL  
 FOR ONE BUSINESS DAY AFTER  
 DATE OF FILING

4. The bid submitted by Hyundai Heavy Industries Company is both commercially and technically compliant with the District's contract requirements and is the evaluated low bid;
5. The bid is less than the Engineer's Estimate of \$11,189,000.00; and
6. The District's Director of Hydro and Manager concur with staff and recommend award to Hyundai Heavy Industries Company as the lowest responsible and best bid based on the District's plan and specifications, which bid is less than the Engineer's Estimate of \$11,189,000.00.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the Manager is authorized to enter into a contract, Contract 370-3113, for Supplying five (5) GSU Power Transformers with Spare Parts and one (1) Optional Spare Transformer for Wanapum Dam with Hyundai Heavy Industries Company, LTD. of Ulsan, Korea in the amount of \$9,585,946.00 plus applicable sales tax, upon receipt of the required performance bond in a manner satisfactory to the District's Counsel.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 26<sup>th</sup> day of September, 2011.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Vice President

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

**BRACKETING OF BPI NOT FINAL  
FOR ONE BUSINESS DAY AFTER  
DATE OF FILING**

**HYOSUNG HEARING EXHIBIT 7**

**NPPD BID AWARD**

Contract No. 10-004 Date: May 5, 2010  
 Contract Title: Main Power Transformer Replacement, 410 MVA GSU Power Transformers  
 Engineer's Estimate \$ 15,850,000.00

	<u>Company Name &amp; Location</u>	<u>Price</u>
1.	Smit Transformer Sales, Inc., USA Agent for Smit Transformatoren BV, Summerville, SC	\$ 17,002,160.00
2.	Siemens Energy, Inc., Wendell, NC	\$ 15,249,130.00 \$ 14,907,729.00 (Alt.)
3.	HICO America Sales & Technology, Inc., Pittsburg, PA	\$ 11,299,216.00
4.	Mitsubishi Electric Power Products, Inc., Warrendale, PA	\$ 15,461,500.00
5.	ABB, Inc., St. Louis, MO Provided uncalculated alternate pricing, not read at bid opening, will be evaluated.	\$ 18,372,400.00
6.	Hyundai Heavy Industries, Co., Ltd., c/o Hyundai Corp. USA, Orlando, FL	\$ 9,839,377.00

The prices above are listed in the order they were read at the bid opening. Bids are being evaluated.

**HYOSUNG HEARING EXHIBIT 8**  
**RESULTS OF SEATTLE CITY LIGHT BID EVENT**

Item: Two (2) 121/27.24/14.2 YYD 54/72/90MVA w/OLTC on HV Step Down Transformers  
Delivery: First transformer: September 16, 2012, Second transformer: June 30, 2013

Rank	Bidder	2012 Delivery	2013 Delivery	Load Loss	No Load Loss	Aux. Loss
1	EFACEC	\$1,191,998	\$1,191,998	\$514,500	\$217,000	\$70,000
2	ILJIN	\$1,362,546	\$1,362,546	\$360,500	\$252,000	\$49,000
3	WEG	\$1,389,218	\$1,389,218	\$455,000	\$255,500	\$24,500
4	HYUNDAI	\$1,658,616	\$1,658,616	\$402,000	\$252,000	\$40,600
5	HICO	\$1,673,500	\$1,673,500	\$490,000	\$231,000	\$42,000