

Vielhauer, Trina

From: Hunter, John J (Jamie) [John.Hunter@pgnmail.com]
Sent: Tuesday, October 12, 2004 3:25 PM
To: ROBERT A MANNING; Halpin, Mike; Comer, Patricia
Cc: Vielhauer, Trina
Subject: Hines Power Block 3 - Construction Contract

As discussed, please find below additional information regard the construction contract for the Hines Power Block 3 project.

The following information briefly summarizes Contract No. 148701 - "General Terms and Conditions for the Design and Construction Contract for Hines Power Block 3".

- The scope of the contract requires the contractor to perform or manage all aspects of the engineering, procurement, and construction (including management and engineering staff, labor, tools, equipment, materials, parts, transportation, and supervision) for the balance of plant installation of a combined cycle power plant, with the equipment supplied by the owner, including two SWPC 501FD combustion turbine generators, two heat recovery steam generators, a single steam turbine generator, three generator step-up transformers, one surface condenser, and two auxiliary transformers at the Hines PB3 jobsite.
- The effective date of the contract is September 22, 2003.
- The contract is between PROGRESS ENERGY FLORIDA, Inc. and S&B/Bibb Hines PB3 Joint Venture, a joint venture consisting of S&B Engineers and Constructors Ltd. and Bibb and Associates, Inc.
- The S&B/Bibb office is located at 3535 Sage Road, 2nd Floor, Houston, TX 77056.

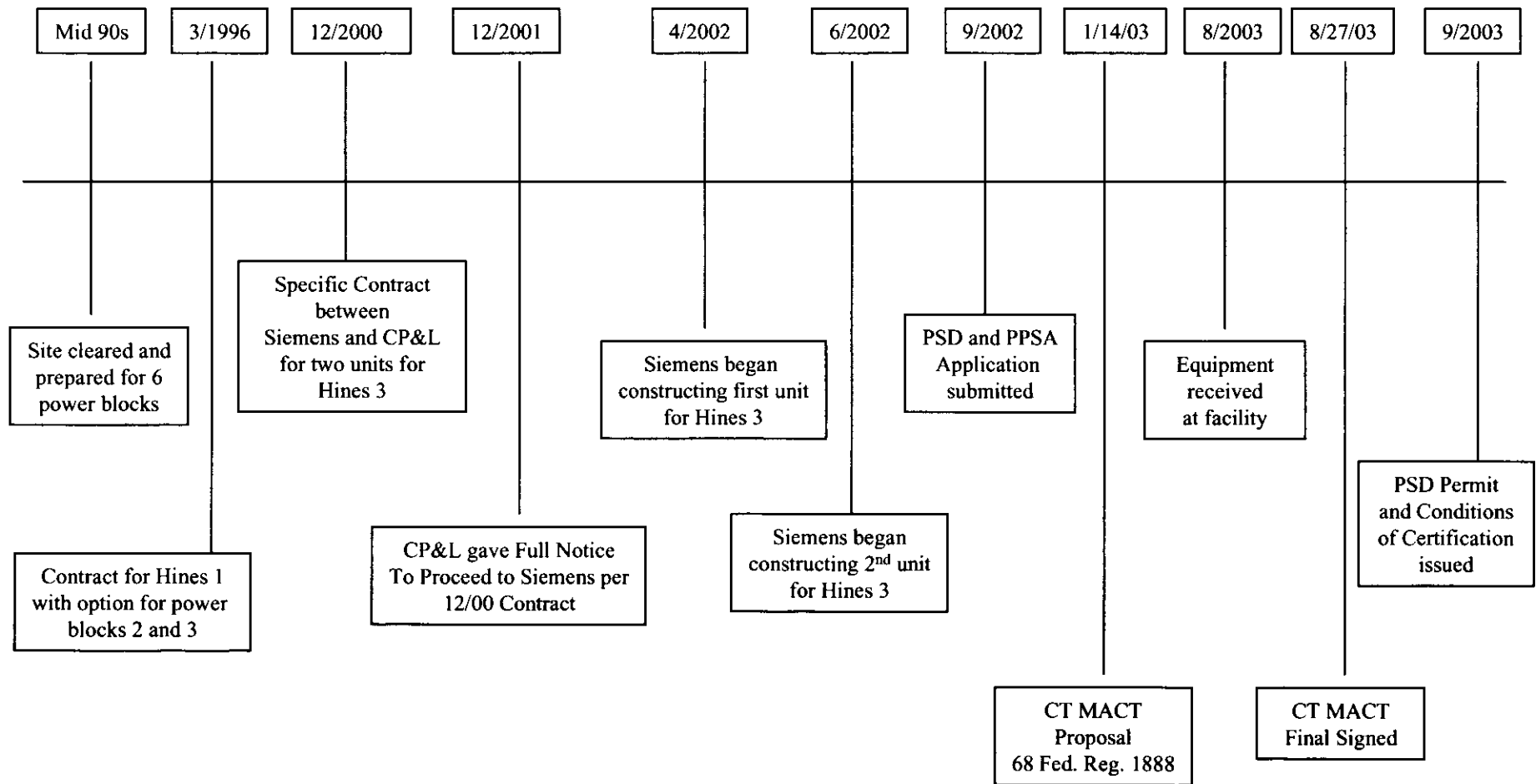
Please let me know if you have any questions or need any additional information.

Thanks

Jamie Hunter
Lead Environmental Specialist
Progress Energy Florida
P.O. Box 14042, BB1A
St. Petersburg, FL 33733
office: 727-826-4363
fax: 727-826-4216

HINES POWER BLOCK 3 TIMELINE

DRAFT 5/24/04



Generation Equipment Supply Contract

No. XTB 0000281

Carolina P & L

and Siemens Westinghouse

Date of Contract Dec 19, 2000

~~Def -~~

22 Full Notice to Proceed - due Feb 1, 2002 - otherwise automatically terminated.

→ Full Notice to Proceed.

30 Limited Notice to Proceed - due Dec 1, 2001 - otherwise automatically terminated.

33 Notice is required to be in writing

G.C.3. After issuance of ~~the~~ LNTP (Limited Notice to proceed) and after issuance of FNTP (Full Notice to Proceed) by CP & L, Supplier shall be in conformance with the Contract Documents to the extent authorized by the applicable notice to proceed do all things necessary or incidental to the furnishing and delivery to CP & L of two (2) 501F Combustion Turbine Generator Units.

Except as provided in Article G.C.12, entitled Contract Termination - CP & L's Convenience of these General Conditions, CP & L shall have no obligation to Seller unless and until a LNTP is issued to Seller by SP & L.

CG 12. Contract Termination - CP&L's Convenience

CP&L reserves the right to cancel the Contract for its Convenience. In the event of such Cancellation, CP&L will pay the Supplier the applicable Termination Fee as set forth

Exhibit E

E/E Failure to deliver LNTP 10% of Contract price
(would already have paid 5%. So looked like real penalty of 5%)

and looked like payment of 5% due at Contract signing, 5% due at LNTP

10% due ^{max} 3/1/02

By 9/2003 had already paid 90% / cum. term price due 100%
Permit ... 9/2003

Delivery Schedule - April 1 2003 STA

- July 1 2003 STB

Delivery to US Port of Entry - Not to site
Delivery to site + 1 month each

Does not include unloading and field erection of equipment (IA.4)

Actual on-site installation - Not in delivery
Contract.

Separate Contract for installation ∴ looks like

Contract issued to - S & B Bibb (A & E)

date executed -

whenever located to Item 3 -

Joint
venture
Contract
between
Progress
& S & B Bibb