

# Delta Power Services<sup>SM</sup> for the Power Generation Industry – Plant Operation and Maintenance Services for Improved Reliability

Delta Power Services, LLC (DPS), is a subsidiary of Babcock & Wilcox Power Generation Group, Inc. (B&W PGG). DPS provides management, and operation and maintenance (O&M) services for the power generation industry, currently operating and maintaining eight facilities in five states. These facilities include fossil fuel-fired, biomass, waste-to-energy, and renewable energy power plants.

DPS also has experience operating hydroelectric plants, as well as combined cycle combustion turbine, central heating, and simple cycle peaking plants.

### Achieving bottom-line results

Possessing a demonstrated record of plant improvement, DPS’ ultimate goal is to improve bottom line results. Whether the results are plant heat rate efficiency, reliability, availability, safety or a combination of several measurable objectives, we possess the experience and capabilities to deliver.



DPS aggressively strives for 100 percent compliance with all environmental, health and safety requirements.

### Plant performance

DPS currently maintains its customers’ facilities to a reliability level well above industry average. Its on-peak availability factor, a key economic performance indicator, is consistently in the highest performance percentiles. Often, operational improvements may be gained with little or no capital expenditures.

One plant reduced its annual operating costs by \$1.1 million strictly through improved procedures and minor equipment repairs. The same plant reduced its outages and improved plant availability by 1.5%.

Another plant’s heat rate was improved by 10% with availability increasing from 87% to 98%.

### Safety

Implementing DPS’ environmental health and safety (EH&S) management system has significantly improved our customers’ plant regulatory compliance records. Results include a reduction in business risk and an improvement in operational performance. We aggressively strive for 100% EH&S compliance and an incident- and injury-free work place.

Complete EH&S reviews are conducted to identify any areas of concern. Target improvements are then identified and implemented.

Location	Capacity (MW)	Fuel
California	23	Natural gas
California	55	Natural gas
Florida	133	Pulverized coal
Michigan	40	Biomass
Michigan	125	Natural gas
Texas	90	Natural gas
Texas	400	Natural gas
Virginia	132	Pulverized coal



133 MW pulverized coal-fired plant in Florida.



55 MW natural gas-fired plant in California.



132 MW pulverized coal-fired plant in Virginia.

DPS' efforts in this area have resulted in a nearly 40% improvement in regulatory compliance since 2005. Our 2005 to 2008 cumulative Occupational Safety & Health Administration (OSHA) recordable incident rate (RIR) has consistently outperformed the industry average. These numbers confirm that DPS' EH&S programs have positive effects on overall plant culture and work environment, and ultimately, facilitate peak performance.

### O&M capabilities

#### Operational services

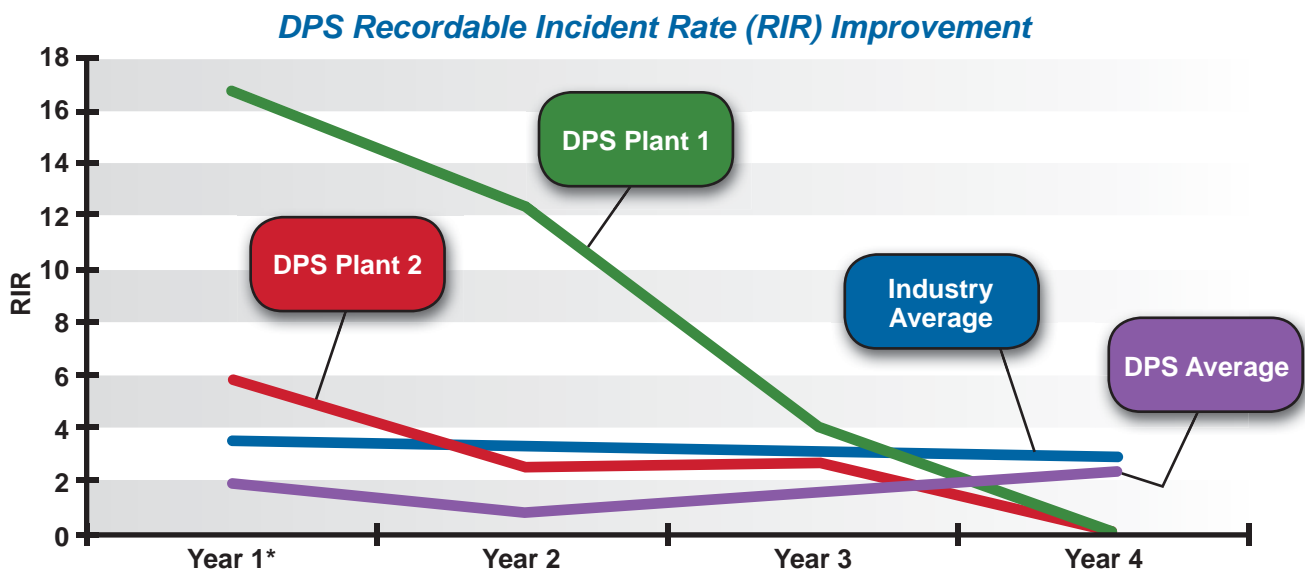
- Operating plants in a safe, compliant and efficient manner to maximize the owner's profit

- and sustain the long-term value of the plant and infrastructure
- Implementing or transitioning existing management programs, such as operating procedures, maintenance manuals, environmental and safety manuals, training and qualification programs, and employee handbooks
- Maintaining care, custody and control over the plant and the site
- Advising and recommending spares, tooling and inventory requirements
- Recommending plant and procedural changes to improve or correct operability, maintainability and reliability issues

- Recording readings and maintaining all operating logs and records
- Developing formal operational plans and administrative procedures

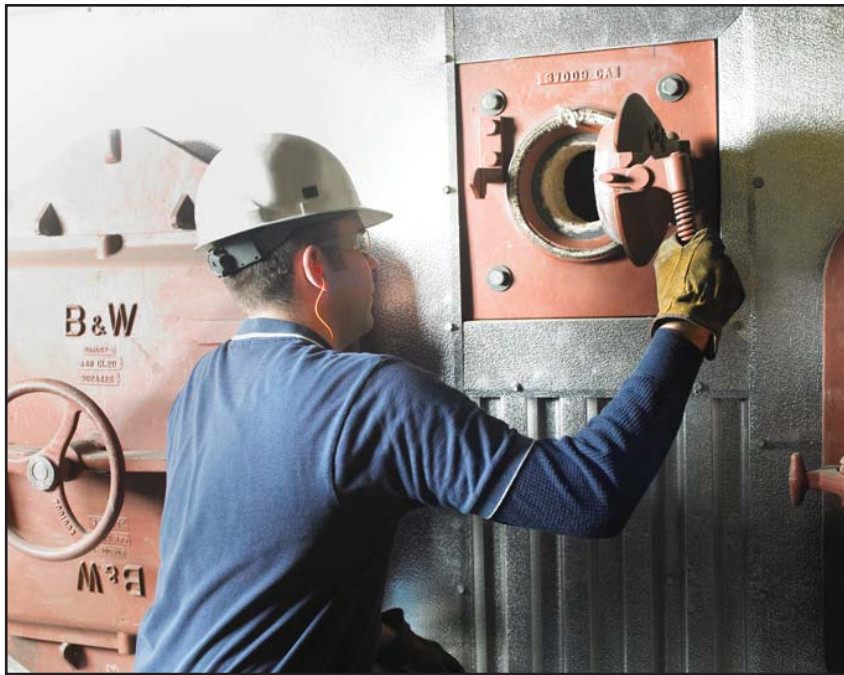
#### Maintenance services

- Planning, scheduling and managing major maintenance and outage activities and performing routine and corrective maintenance
- Transitioning or, where needed, installing and implementing a computerized maintenance management system to include material and part inventories



\* Year when DPS assumes O&M responsibilities.

*These two plants experienced a significant reduction in recordable incident rates after DPS took over operation and maintenance services.*



*Possessing a demonstrated record of improving plant performance, DPS can help plant owners achieve their measurable objectives.*

- Scheduling and managing medium and high voltage circuit breaker maintenance and relay testing
- Implementing and managing programs including predictive maintenance, vibration analysis, lube oil quality, transformer dissolved gas analysis and thermography
- Maintaining roads, buildings and plant infrastructure
- Documenting and retaining records for all maintenance activities

### **Administrative services**

- Administering utility, qualifying facility (QF) and thermal host agreements
- Transitioning or establishing purchasing and accounts payable systems as needed
- Maintaining inventory and inventory records
- Assisting the owner in securing, maintaining and complying with any permit, license or other governmental approval

required for the ownership or operation of the plant

### **Guiding principles of DPS**

Guiding all of DPS' activities are these overriding principles designed to increase revenues, reduce costs and improve overall project returns for our customers:

- Provide a safe working environment for our employees and our neighbors
- Retain, attract and challenge the best and brightest employees
- Create a continuous improvement process by translating best practices and lessons learned into more effective and efficient operations and maintenance practices
- Protect and extend asset life, and therefore protect project participant's interests and investments by using industry leading maintenance techniques that incorporate predictive, preventive and corrective programs and tools
- Set and achieve performance targets and goals that are meaningful to each project
- Develop an organizational structure that is efficient, responsive and fully able to support customer, company and employee needs
- Develop solid environmental and regulatory programs and foster compliance as the way to be a good corporate citizen, good neighbor and employer



*Operational, maintenance and administrative services are part of the overall capabilities of Delta Power Services.*



*DPS has experience operating and maintaining plants that use a wide range of fuels and technologies.*

### **Delta Power Services**

- ▶ Proven O&M experience
- ▶ Documented safety improvements
- ▶ Industry leaders in reliability and availability



**delivering**  
proven results

[www.deltapowerservices.com](http://www.deltapowerservices.com)

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Delta Power Services, LLC (DPS) provides operation and maintenance services to power plants that utilize a variety of technologies and fuels. DPS is a subsidiary of Babcock & Wilcox Power Generation Group, Inc., an operating group of The Babcock & Wilcox Company (B&W). Established in 1867, B&W is a world leader in providing steam generating and emissions control equipment, nuclear operations and components, and defense program management services. For more information visit our Web site at [www.deltapowerservices.com](http://www.deltapowerservices.com).

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