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Sent: Wednesday, October 07, 2015 2:26 PM
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Subject: Comments to the FRN RFI on a Large Power Transformer Reserve

Ms. Lippert,

Additional comments for the above subject were submitted online today per your email dated 10/5/2015.

Below kindly find the comments submitted.

Additional Comments for Section 3 - Ownership & Economics

DOE to consider arrangements with US manufactures of LPT's to store the program spare units at their locations versus participation of utilities to the existing EEI STEP Program. DOE in conjunction with those utilities willing to participate in the new program would contribute to the demurrage charges making it an attractive proposition for the LPT manufactures and for the electric utilities to have the required LPT under the ownership and responsibilities of the OEM. DOE may consider a Federal taxing program also to make this work with those electric utilities willing to participate in the program.

Using the US manufactures as the storage site has several advantages for the industry. First, electric utilities would not need to maintain their spare fleet with periodic testing, maintenance activities, and oil monitoring and environmental clean up cost based on possible criminal acts. Also, electric utility units in spare storage may never be used. They may just sit there and eventually run out of warranty period, age, and may develop problems in the future such as oil leaks, water/moisture contamination, rusting, etc. The electric utility numbers in storage, maintenance, environmental, and other storage related requirements would be transferred to the LPT manufactures. The manufactures would provide the storage site, the maintenance requirements, and the coordination to transport to the designated utility in need of the LPT, similar to a UPS hub where they can reach any utility in the US based on their existing transportation plans in place.

It is understood that if electric utilities are asked to move an EEI STEP unit, they would need to contract the dis-assembly, packaging of bushings and other equipment, and make arrangements for the transportation to the utility in need. This could take up anywhere from 2-4 weeks for the disassembly and preparation for shipment. Storage at the manufacturer would reduce this time greatly. Manufactures would have the accessories ready to ship in the original containers and the unit would be a unit that was properly maintained during the storage period.

DOE can have great leverage also to ensure transportation by rail, barge, or road by claiming a National Security Event and can expedite the move/s with the LPT manufacturer to the utility in need.

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