



Westinghouse

Westinghouse Electric Company
Engineering, Equipment and Major Projects
178 Shattuck Way
Newington, New Hampshire 03801
USA

Gregory F. Rahe, CEM
Public Service of New Hampshire
1700 Lafayette Road
Portsmouth, NH 03801

Direct tel: 603-433-4306
Direct fax:
e-mail: solakjm@westinghouse.com

Your ref:
Our ref:

Re: Special Contract – Electricity
Contract No. NHPUC-146
Public Service Company of New Hampshire With
Westinghouse Electric Company

November 7, 2017

Dear Greg,

I am writing this letter to formally request an approval for above referenced contract between Westinghouse and PSNH. This Contract will replace the current contract dated December 2014. Westinghouse's history of agreements with PSNH dates back to 1978 which was implemented to support the Reactor Coolant Pump Motor Testing performed by Westinghouse. Westinghouse is currently working on opportunities that will fall under the term of this new contract and, as in the past, this will enable Westinghouse to maintain pricing competitiveness for this work.

In addition, the implementation of this new contract is critical to the continued existence of the Westinghouse facility in Newington, NH. Westinghouse has multiple facilities across the globe and without a contract in place for the electrical costs incurred during the pump testing process other Westinghouse facilities will be evaluated for this work. An alternate option would include the purchase or rental of a generator but this is not an optimal option and the loss of this product line to another facility would be likely. The implementation of this new contract is essential to retaining opportunities to bid and win awards for this work in New Hampshire.

I am hopeful that PSNH understands that if the Westinghouse Newington facility does not remain competitive for this work that approximately 238 jobs will be in jeopardy in addition to the additional benefits this work has generated for local area vendors. These vendors include but are not limited to local machine shops, industrial painters, hotels, restaurants, and transportation companies.

This is a very competitive market place and for Westinghouse to continue to do business we must remain competitive ourselves. The current schedule contains a minimum of one pump test for each of the next three years with additional opportunities resulting from customer requests for quotations. The termination of the contract will not only have a direct negative impact to this facility but it will extend out to the surrounding communities that benefit from activities related to reactor coolant pump manufacturing that is currently taking place.

Sincerely,

Joan M. Solak
Supply Chain Manager, Newington

WESTINGHOUSE PROPRIETARY CLASS 2

This document is the property of and contains Proprietary Information owned by Westinghouse Electric Company LLC and/or its subcontractors and suppliers. It is transmitted to you in confidence and trust, and you agree to treat this document in strict accordance with the terms and conditions of the agreement under which it was provided to you.