

1   **Re: Page B-5; Upgrade Spherical Valve Maintenance Seals \$1,059,700**

2   Q.   Please provide a detailed cost benefit analysis showing all options  
3       considered.

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6   A.   A detailed cost benefit analysis was not performed, as there was no need to  
7       do so. There is only one other option and that is to purchase two brand new  
8       spherical valves. In conversations with VA TECH HYDRO, it was learned  
9       that the cost of two new spherical valves would be in the range of four million  
10      dollars. This pricing fluctuates on a quarterly basis with the cost of steel.

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12      VA TECH HYDRO, formerly Sulzer Hydro have a “standard” retrofit for this  
13      valve, which will replace the original flex seal with an improved sliding seal  
14      arrangement.