

To: Mike Poppe, Jim Mussman and Lisa Sigala
Precision Heavy Haul

From: Bob Tarlowski
Arizona Public Service

Subject: 5 Year Review

Over the last five years I have had numerous substation construction projects that required transporting large units of substation equipment; mostly transformers and circuit breakers. It has been my responsibility to contract and schedule oversized hauls that range from 200,000 to 500,000 pounds.

During these projects I have worked closely with five different heavy haul contractors to move substation equipment. So please understand that my review of the work done by Precision Heavy Haul is based on a wide range of personal experience.

Precision Heavy Haul has consistently out-performed the other haulers in these areas:

Work Plan

Precision always drives a route checking clearances, turning radii, road conditions, and bridge and culvert load ratings. Traffic control, pilot vehicles and permits are always obtained. Local utilities (telephone, cable, fiber and electric) are notified and respected. Curfews are observed. In every way, Precision has put together a work plan that has been successful and has supported Arizona Public Service's wish to cooperate and comply with permitting agencies and other utilities.

Equipment

To accommodate specialty loads Precision has engineered and fabricated specialty equipment for Arizona Public Service such Schnabel attachments and "high center-of-gravity" beams. Precision keeps all their equipment clean and well maintained which has resulted in trouble free performance at the jobsite. Precision has developed a system of skids and hydraulic pushers that allow effective control when moving a large transformer. This system has much less risk than the traditional jack and roll method.

Safety

Arizona Public Service encourages and expects good safety performance from its' contractors. I have observed the employees of Precision Heavy Haul as they work on numerous occasions. In addition to a good work plan and well-maintained equipment there are other elements that show safe work habits. Precision employees always wear their safety equipment and before each phase of work they gather to discuss and agree on what will be done and who will do each part of the work. They watch out for each other while working, ready to help or warn each other.

Cost

On several of my projects it has been appropriate to competitively bid the heavy haul work. So, I have had the chance to compare Precision's price to other heavy haul contractors. Precision has always offered reasonable prices and in most cases has been the low bidder. The most cost-effective approach on my projects has been to contract the work based on time and materials so that contingency costs are eliminated. To support this arrangement my division of APS has a blanket purchase order with Precision Heavy Haul that is renewed every two years.

Mike, Jim and Lisa; I have addressed this letter to you with the understanding that you will share it with manufacturers and construction contractors who are performing work that involves APS. Please encourage them to contact me if they want more information.

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