



The Korean Peninsula Energy Development Organization  
600 3<sup>rd</sup> Avenue, 12<sup>th</sup> Floor  
New York, NY 10004

**Subject: Opportunity to Participate in the Cold Machine Shop Equipment,  
Package No. 0-158-M225**

The Korean Peninsula Energy Development Organization (KEDO) is offering companies from KEDO Member Countries an opportunity to participate in the procurement of materials, components, and equipment for the construction of its Light Water Reactor Project in Kumho, North Korea.

This particular opportunity is for the supply of the cold machine shop equipment. Interested companies who possess the technical capability, production capacity, and financial stability to offer a competitively priced product are encouraged to respond. KEDO will review the responses from interested companies and compile a consolidated list of candidates. This list will be forwarded to Korea Electric Power Corporation (KEPCO), the Prime Contractor, with instructions to qualify these companies for inclusion in their Pool of Qualified Suppliers.

Any company interested, and who deems themselves capable of being qualified in providing the cold machine shop equipment is encouraged to complete the enclosed brief corporate overview and return it with any additional relevant corporate information to KEDO before the close of business on November 18, 2002. A brief summary of the technical specification for this procurement is enclosed to assist companies in making a determination to participate.

This information is also posted on KEDO's Web Page at [www.kedo.org](http://www.kedo.org).

Companies selected by KEDO to be considered for this procurement should receive a qualification package from KEPCO around the end of January 2003.

If you have any questions regarding this opportunity, please feel free to contact Mr. Soon nam Jung at (212) 455-0207.

Sincerely,

John B. Mulligan  
Director, Project Operations Division

Attachments: Summary of PPI (1 page)  
Brief Corporate Overview Form (2 pages)

xc: BMC Liaisons (S. Zero, C. H. Hahn, Y. Yamada)

<b>Summary of PPI</b>
SPEC NO. : 0-158-M225
TITLE : Cold Machine Shop Equipment
PROCUREMENT SOURCE: OB    QUALITY CLASS: S
FORECASTED ITT ISSUE DATE: July 31, 2003
FORECASTED CONTRACT AWARD DATE: August 31, 2004
FORCASTED INITIAL SITE DELIVERY DATE: August 31, 2005
<b>Description</b>
a. Safety Category: Non-Safety Related
b. Relevant Codes and Standards (in effect as of December 31, 1996):
<ul style="list-style-type: none"> <li>• KS</li> <li>• NEMA</li> <li>• IEEE</li> <li>• ASME NQA-1<sup>1</sup></li> </ul>
c. Scope of Supply (for two 1000 MWe units)
<ul style="list-style-type: none"> <li>• Lathe (Small/Medium/Large): 1 set</li> <li>• Cylindrical Grinding Machine: 1 set                                          Surface Grinding Machine: 1 set</li> <li>• Slotting Machine: 1 set                                                                  Shaper: 1 set</li> <li>• Universal Milling Machine: 1 set</li> <li>• Hydraulic Hack Sawing Machine: 1 set</li> <li>• Up-Right Drilling Machine: 2 sets                                          Radial Drilling Machine: 1 set</li> <li>• Pedestal Grinding Machine: 3 sets</li> </ul>
d. Design Requirements
<ul style="list-style-type: none"> <li>• All working parts shall be adequately protected from dust and moisture and shall be readily accessible for inspection, replacement or repair of parts, and for servicing</li> <li>• The machine tools will be installed indoors and shall be designed to provide useful service under the following conditions: - Temperature 59F to 80F                          - Relative Humidity 7% to 90%</li> <li>• The equipment will be installed in a nuclear power station cold machine shop. The service will be intermittent, light to medium duty. Seller's equipment shall have a 40-year useful life under conditions described in this specification.</li> </ul>
e. Technical Requirements
<ul style="list-style-type: none"> <li>• Quality Assurance Program Manual</li> <li>• Inspection &amp; Test Report</li> </ul>
<i>Note: <sup>1</sup> The extent to which the QA requirements are to be applied shall be consistent with the importance to nuclear safety of the item, service or process. A graded approach, which can satisfy the necessary requirements and ensure the required quality and safety, shall be used.</i>

## Brief Corporate Overview Form

<b>Procurement Package No. 9-169-E251</b>	
<b>Vendor:</b>	<b>Country<sup>1</sup>:</b>
<p>Note: <sup>1</sup> The nationality of a multinational corporation (a business organization that is based in one State and has branches, subsidiaries, and plants in other States) is the State in which the business unit signing the Subcontract is located.</p>	
<p><b>1) Demonstrated Quality</b> – Provide a brief description of your quality assurance program. Reference any applicable Regulatory Codes and Standards certificates your company currently holds. Give examples of how your company has demonstrated that it can produce the product in question to the quality standards required, including any products for power plant applications. Address any significant warranty work for these products in the last 5 years.</p>	
<p><b>2) Capability to Produce the Product</b> – Discuss the production capacity of the facility that will make this product. Include the approximate percent capacity that will be dedicated to this production and any other fabrication scheduled for the facility during this time period (backlog). Describe your company’s technical (design, engineering, manufacturing) expertise that will be in support of this production.</p>	

## Brief Corporate Overview Form (Continued)

3) **Demonstrated Schedule Performance** – Give examples of schedule performance for past manufacturing and delivery of similar products.

4) **Company Stability** – What is your company's financial status in terms of Dun & Bradstreet ratings and financial ratios? Include a copy of your company's annual report with your response.

This form may be submitted electronically, by fax, or courier service at the following addresses:

e-mail: [snjung@kedo.org](mailto:snjung@kedo.org)  
fax: 212-949-8071

address: Mr. Soon nam Jung  
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