

Mail Envelope Properties (3E5E79CF.1C6 : 21 : 21114)

Subject: RAI
Creation Date: 2/27/03 3:49PM
From: David Jaffe

Created By: DHJ@nrc.gov

Recipients	Action	Date & Time
txu.com cwilker3 (<u>cwilker3@txu.com</u>)	Transferred	02/27/03 03:49PM

Post Office	Delivered	Route
		txu.com

Files	Size	Date & Time
Mail MESSAGE	525	02/27/03 03:49PM

Options

Auto Delete: No
Expiration Date: None
Notify Recipients: No
Priority: Standard
Reply Requested: No
Return Notification: None

Concealed Subject: No
Security: Standard

To Be Delivered: Immediate
Status Tracking: Delivered & Opened

From: David Jaffe
To: cwilker3@txu.com
Date: 2/27/03 3:49PM
Subject: RAI

Please call me. Thanks

From: Catherine Marco
To: David Jaffe
Date: 2/27/03 3:27PM
Subject: TXU RAIs

Dave - -

These are the RAIs that Alex McKeigney and I propose sending to TXU. I realize that the cover letter may need to be formatted properly.

Thanks for setting up the phone call.

- - Cathy

February 28, 2003

Mr. C. Lance Terry
Senior Vice President and
Principal Nuclear Officer
TXU Energy
Comanche Peak Steam
Electric Station
P.O. Box 1002(E01)
Glen Rose, TX 76043

**SUBJECT: REQUEST FOR ADDITIONAL INFORMATION REGARDING TRANSACTIONS
INVOLVING ENTITIES AFFILIATED WITH CREDIT SUISSE FIRST BOSTON
PRIVATE EQUITY, INC. AND TXU GENERATION'S PARENT COMPANIES**

Dear Mr. Terry:

In a letter dated January 28, 2003, TXU Generation Company LP (TXU Generation, the licensee) submitted a request on its own behalf and on behalf of Credit Suisse First Boston Private Equity, Inc. (CSFBI). TXU Generation requests that the NRC make a threshold determination that a stock transaction involving certain equities affiliated with CSFBI and TXU Generation's parent companies and the related transfer of 1% ownership interest in one of the intermediate parent companies to another indirect wholly-owned subsidiary of TXU Corp. do not require license transfer approval under 10 CFR 50.80.

The U.S. Nuclear Regulatory Commission staff is reviewing the information provided in the January 28 submittal and has determined that additional information is needed to complete its review. The specific questions are found in the enclosed request for additional information (RAI). During a telephone call on X, the TXU Generation staff indicated that a response to the RAI would be provided within X days.

If you should have any questions, please do not hesitate to call me.

Sincerely,

Docket Nos. 50-445 and 50-446
Enclosure: RAI
cc w/ encl: See next page

REQUEST FOR ADDITIONAL INFORMATION
REGARDING REQUEST FOR THRESHOLD DETERMINATION THAT CERTAIN
TRANSACTIONS DO NOT REQUIRE 10 CFR 50.80 LICENSE TRANSFER APPROVAL
COMANCHE PEAK STEAM ELECTRIC STATION UNITS 1 AND 2

In a letter dated January 28, 2003, TXU Generation Company, LP (the licensee) submitted, on its own behalf and on behalf of Credit Suisse First Boston Private Equity, Inc. (CSFBI), a request that the NRC make a threshold determination that a stock transaction and related ownership interest transfer do not require license transfer approval under 10 CFR 50.80. The stock transaction involves certain entities affiliated with CSFBI and TXU Generation Company LP's parent companies, and the related ownership interest transfer involves a transfer of a 1% ownership interest in one of the intermediate parent companies to another indirect wholly-owned subsidiary of TXU Corp. The U.S. Nuclear Regulatory Commission (NRC) staff has the following questions regarding the information provided in the request:

1. Identify the beneficial owners of TXU common stock currently owning more than five percent of such stock, and the percentage ownership for each such owner.
2. Verify whether, as a result of the transactions identified in the January 28, 2003, submittal, including the potential exercise of UXT's option to exchange subordinated notes for TXU Corp. common stock, there will be any material change in the financial qualifications and decommissioning funding assurance of the licensee for the Comanche Peak Steam Electric Station Units 1 and 2 (CPSES).
3. Verify whether, as a result of the transactions identified in the January 28, 2003, submittal, including the potential exercise of UXT's option to exchange subordinated notes for TXU Corp. common stock, there will be any material change in the identity, organization, management, and technical qualifications of the licensee for CPSES.
4. Verify that neither DLJ nor UXT, nor Credit Suisse Group (CSG) as the ultimate parent of both DLJ and UXT, nor any of CSG's other subsidiaries, would acquire any additional common stock in TXU Corp. beyond the amount specified in the January 28, 2003 request. Confirm that none of these entities themselves or in combination will beneficially own in excess of a total ownership interest of 10 percent of the outstanding shares of TXU Corp. at any one time.
5. Verify that if DLJ, UXT, CSG, or any other subsidiary of CSG were to establish one or more voting trusts or other voting entities in relation to the outstanding common stock of TXU Corp., then no such voting trust nor other voting entities will have any agreement, either express or implied, that they would act in concert regarding actions pertaining to TXU Corp. Also, confirm that neither CSG nor any of its subsidiaries will have any agreement, either express or implied, that they would act in concert with any other interests that may beneficially own TXU Corp. stock now or in the future, such as Berkshire Hathaway, Inc.
6. Verify that no subsidiary of CSG, nor CSG itself or in combination with any of its

subsidiaries, will have the right to nominate more than one member of the Board of Managers of TXU Energy or more than one member of the Board of Directors of TXU Corp.