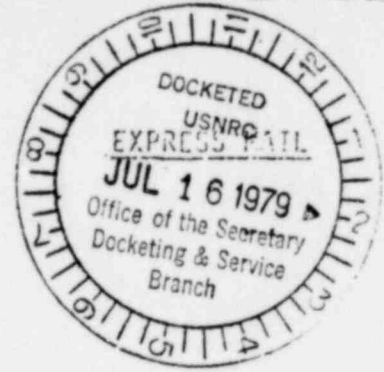


UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

July 12, 1979

AREA



J. Gregory Copeland, Esq.
Baker & Botts
3000 One Shell Plaza
Houston, Texas 77002

Re: South Texas Project
Operating License Antitrust Review
"Appendix C" Documents

Dear Mr. Copeland:

Having just returned from vacation, I am responding to your letter of June 19, 1979. I am enclosing pursuant to paragraph "3" of the Licensing Board Order of June 25, 1979 (which was served on June 27th), those documents over which the Staff had asserted work product and/or attorney client privilege. As you know, the Licensing Board has ruled that with the exception of questions posed by counsel (where draft answers or other factual data are not attached thereto) and one other document (document two of Appendix C) all other written communications between counsel and a designated expert witness, including communications sent from the expert to counsel at counsel's request must be produced. The Board has included within this requirement of production interview notes taken by an attorney which may include legal analysis if those notes were shown to the expert.

Two comments are necessary with respect to these documents. First, in instances where the document itself is not also a transmittal letter, the "memorandum" forwarding the material was an informal "buck slip" containing one or two sentences of transmittal. These informal "buck slips" were not retained. Second, you may note that the interview notes taken by Mr. Blume contain a few deletions. These deletions were made on the originals by Mr. Blume prior to his providing a copy of the notes to the consultant.

Finally, it was the clear import of the Board's rulings that all parties were to be treated equally with respect to written communications to and from experts. Accordingly, the Staff will be filing today under separate cover a supplemental interrogatory to HL&P (as well as TU) requesting similar communications to and from designated experts.

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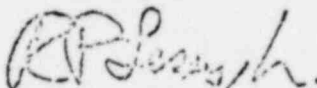
J. Gregory Copeland, Esq.

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July 12, 1979

Please feel free to contact me if you have any questions with respect to these matters.

Sincerely yours,



Roy P. Lessy, Jr.
Counsel for NRC Staff

Enclosures
As stated

cc:
Counsel of Record
Licensing Board

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