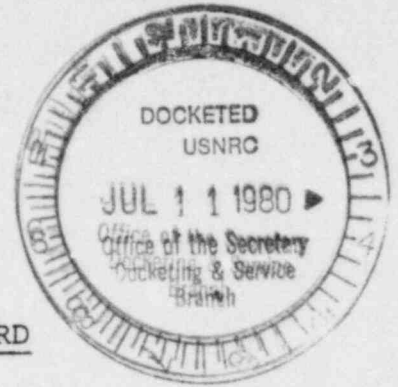


UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION



BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of	\$	
	\$	
HOUSTON LIGHTING &	\$	Docket Nos. 50-498A
POWER COMPANY, ET AL	\$	50-499A
	\$	
(South Texas Project,	\$	
Unit Nos. 1 and 2)	\$	
	\$	
	\$	
TEXAS UTILITIES	\$	Docket Nos. 50-445A
GENERATING COMPANY, ET AL	\$	50-446A
	\$	
(Comanche Peak Steam	\$	
Electric Station,	\$	
Unit Nos. 1 and 2)	\$	

STATUS REPORT ON SETTLEMENT  
OF HOUSTON LIGHTING & POWER COMPANY

Pursuant to the Board's Order of June 10, 1980, Houston Lighting & Power Company ("Houston") hereby files its report on the status of settlement.

In accordance with the terms of the Settlement Agreement between Houston, Texas Utilities Company (TU) and the Central and South West Corporation (CSW), CSW filed an amended application with the Federal Energy Regulatory Commission on June 30, 1980. Under the terms of the amended application CSW has requested that the FERC issue an order requiring the construction of two DC interconnections between the Electric Reliability Council of Texas and the Southwest Power Pool. Notice of this amendment was issued by the FERC on July 2, 1980.

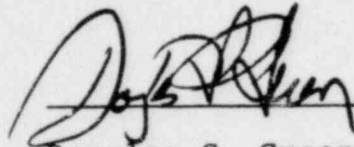
Any protests are to be filed by July 18.

Subsequent to the last prehearing conference, Houston has had additional discussions with the NRC Staff and the Department of Justice. After several telephone discussions and an exchange of correspondence, on July 9, 1980, Houston met with the Staff to discuss our respective views as to the impact of the settlement between CSW, Houston and TU on the pending NRC proceeding. As a result of that meeting the Staff agreed to present Houston with a proposed set of license conditions. Those license conditions have not yet been received so Houston is not in a position to comment on them. Nonetheless, based on our discussions with the staff on July 9 we continue to be hopeful that we can resolve our differences with the Staff.

Houston, subsequent to the last prehearing conference, contacted the Department of Justice and inquired if the Department was interested in engaging in settlement discussions. Houston requested that the Department submit any proposals in writing so that they could be evaluated preparatory to a meeting. Counsel for the Department declined to do so; however a meeting was arranged between Houston and counsel for the Department, also on July 9. At that meeting counsel for the Department indicated that at present

they had not changed the position taken in the June 10 prehearing conference. They indicated that higher levels in the Department were evaluating this policy position, but advised Houston that the Department would not reach a decision until after the June 14 conference as to whether or not its policy position would be changed. Absent any such change in policy it appears that Houston will not be able to reach a settlement with the Department.

Respectfully submitted,



Douglas G. Green

Attorney for Houston Lighting &  
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DATED: July 11, 1980

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

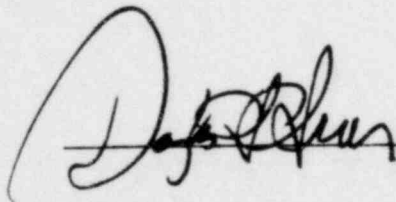
In the Matter of	)	
	)	
HOUSTON LIGHTING & POWER COMPANY,	)	Docket Nos. 50-498A
et al.	)	50-499A
	)	
(South Texas Project, Units 1	)	
and 2)	)	
	)	
TEXAS UTILITIES GENERATING COMPANY	)	Docket Nos. 50-445A
et al.	)	50-446A
	)	
(Comanche Peak Steam Electric	)	
Station, Units 1 and 2)	)	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that copies of the foregoing:

HOUSTON LIGHTING & POWER COMPANY  
STATUS REPORT ON SETTLEMENT

were served upon the following persons, by hand \*, or by  
deposit in the United States Mail, first class postage  
prepaid, this 11th day of July, 1980.

  
\_\_\_\_\_

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