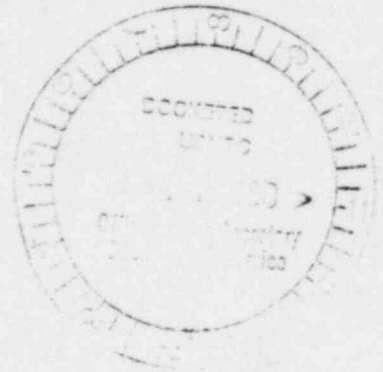


UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

ATOMIC SAFETY AND LICENSING APPEAL BOARD

Alan S. Rosenthal, Chairman
Michael C. Farrar
Thomas S. Moore



In the Matter of)

HOUSTON LIGHTING & POWER COMPANY,)
et al.)

(South Texas Project, Units 1 and 2))

TEXAS UTILITIES GENERATING COMPANY,)
et al.)

(Comanche Peak Steam Electric Station)
Units 1 and 2)

Docket Nos. 50-498A
50-499A

Docket Nos. 50-445A
50-446A

ORDER

June 16, 1980

We have examined (1) the settlement status reports filed by the parties on May 9, 1980; (2) the transcript of the pre-hearing conference held by the Licensing Board on the following day; and (3) the order entered by that Board on June 13, 1980.

The status reports and the disclosures at the prehearing conference led the Board below to conclude both that "substantial progress had been made in settlement negotiations among the parties" and that "a further limited time in which to pursue settlement negotiations would further the interests of NRC

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in encouraging the fair and reasonable settlement of contested proceedings (10 CFR §2.759)". June 13 order, at p. 2. We concur in that appraisal, as well as in the Board's resultant determination to withhold the establishment of a trial date pending its receipt of further status reports in another month. Specifically, those reports are to be in the Board's hands by 4:00 p.m. on July 11, 1980. Another prehearing conference will be held on July 14. Id. at pp. 2-3.

In the circumstances, we believe there to be sufficient cause to continue to defer action on the discovery question before us to await further developments. See our unpublished April 15 and May 13 orders. Needless to say, copies of the status reports due to be submitted to the Licensing Board on July 11 are to be simultaneously filed with us.

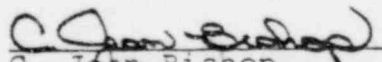
Our prior orders exhorted the parties to take full advantage of the opportunity provided them by the Licensing Board to reach a settlement which will provide a reasonable accommodation of all interests involved -- public as well as private. As indicated above, it appears to us (as it does to the Board below) that significant steps have been taken in that direction. Obviously, we are not now sufficiently acquainted with the various factors which bear upon the settlement endeavors to predict with confidence the ultimate result of those endeavors. By reason of our

general understanding of the nature of the issues presented by the underlying controversy, however, we are inclined to think that their resolution may well be achievable without the necessity of a lengthy evidentiary proceeding which will be costly to all concerned in terms of time and expense -- and uncertain in eventual outcome.

We have little doubt that this consideration is equally recognized by each of the parties (whether seeking the vindication of a private or a public interest). Accordingly, our expectation is that next month's status reports and prehearing conference will reflect, at minimum, a concerted effort on the part of all parties to obtain fair agreement on every issue which still remains in legitimate dispute.

It is so ORDERED.

FOR THE APPEAL BOARD


C. Jean Bishop
Secretary to the
Appeal Board