

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD



In the Matter of:)

HOUSTON LIGHTING AND POWER)
CO., et al. (South Texas)
Project, Units 1 and 2))

Docket Nos. 50-498A
50-499A

TEXAS UTILITIES GENERATING)
COMPANY (Comanche Peak Steam)
Electric Station, Units 1)
and 2))

Docket Nos. 50-445A
50-446A

REPORT OF SOUTH TEXAS ELECTRIC COOPERATIVE, INC. AND
MEDINA ELECTRIC COOPERATIVE, INC. ON THE STATUS
OF SETTLEMENT NEGOTIATIONS

In accordance with the Board's Order of August 13, 1980, in these antitrust proceedings, South Texas Electric Cooperative, Inc. and Medina Electric Cooperative, Inc. (STEC/MEC) submit this report on the status of settlement efforts in these proceedings as of September 12, 1980.

At the outset, STEC/MEC must advise the Board that this report has not been prepared in concert with the reports of other parties to these proceedings. Since the last prehearing conference before the Board on August 8, 1980, there has been a-flurry of settlement-related activities. STEC/MEC have been party to some of the settlement negotiations which have occurred during this interval, and have been apprised of the results of other discussions in which they did not participate. While these discussions generally appear to have been fruitful, in that they appear headed toward an agreement which is designed

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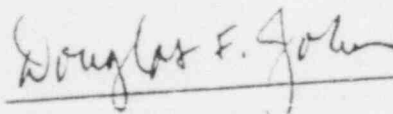
to resolve all outstanding issues in these proceedings (save possibly those raised by the Border Cooperatives in their Petition to Intervene Out of Time), STEC/MEC cannot at this juncture report that such an overall agreement has been achieved. Even now, as this status report is being prepared, STEC/MEC understand that certain of the applicants and the Federal governmental parties are engaged in the type of eleventh-hour negotiations which have come to characterize these proceedings. It is now apparent that STEC/MEC will not have been afforded an opportunity, prior to the 12:30 p.m., September 12, 1980, deadline for submission of this report, to review the terms of the agreed-upon licensing conditions, if any, which emerge from these negotiations. Accordingly, STEC/MEC are in no position to state whether they are willing to lend their support to any such agreements, in whole or in part. More time would obviously be required for this purpose.

In view of these developments, STEC/MEC believe that it would serve no useful purpose for them to attempt to identify proposed licensing conditions upon which unanimity, or near-unanimity, has been achieved among the parties; similarly, it is impossible for STEC/MEC to determine those issues which are yet unresolved. For the record, STEC/MEC would merely state that, as of 12:30 p.m. September 12, 1980, STEC/MEC have not given their imprimatur to any proposed licensing condition or set of conditions. On the other hand, based on what they know of the

past month's settlement discussions, STEC/MEC are not aware of any single issue which, due to the intransigence of any one party, cannot be resolved as part of an overall settlement package which would be acceptable to STEC/MEC.

In the continued hope that a settlement will be achieved which will obviate the need for a formal hearing, and due to the fact that ongoing settlement activity has effectively pre-empted any discussion of trial procedures among the parties, STEC/MEC here offer no suggestions on additional prehearing ^{1/} or hearing procedures. After STEC/MEC have had a chance to review the status reports of other parties filed concurrently herewith, as well as the benefit of any additional enlightenment which may be provided by such parties at the September 15, 1980, Prehearing Conference before this Board, STEC/MEC expect to be in a better position to state at least a tentative position on issues and procedures.

Respectfully submitted,



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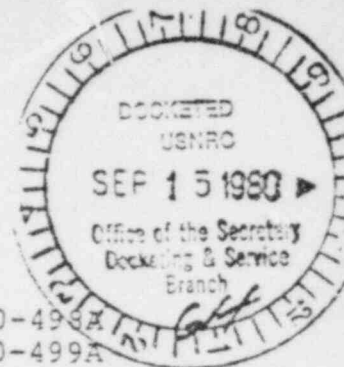
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and
Medina Electric Cooperative, Inc.

Dated: September 12, 1980

^{1/} STEC/MEC are aware of the August 29, 1980 Joint Motion of Houston Lighting and Power Company and others for partial revision of procedural dates.

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COMPANY, et al. [Comanche)
Peak Steam Electric Station,)
Units 1 and 2])

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing report were served upon the following persons by deposit in the United States mail, first class postage prepaid this 12th day of September, 1980, or by hand delivery as indicated by an asterisk.

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