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October 14, 1981

Charles Bechhoefer, Esquire
Chief Administrative Judge
Atomic Safety and Licensing
Board Panel
U.S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dr. James C. Lamb, III
Administrative Judge
313 Woodhaven Road
Chapel Hill, North Carolina 27514

Ernest E. Hill Administrative Juage Lawrence Livermore Laboratory Post Office Box 808, L-123 Livermore, California 94550

> RE: Houston Lighting & Power Co. et al. South Texas Project, Units 1 & 2, Docket Nos. STN-50-498, STN-50-499

Gentlemen:

ROBERT LOWENSTEIN JACK R. NEWMAN HAROLD F. HEIS

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We have received a copy of the Board's Memorandum and Order (Concerning Changes in Schedule for Hearings) dated October 8, 1981, reflecting the results of the telephone conference call held on October 7, 1981.



Charles Bechhoefer, Esquire Dr. James C. Lamb Ernest E. Hill Page Two October 14, 1981

The Order appropriately documents (at pages 4-5) the actions taken by the Board as a result of the conference call. In view of the number of subjects that were reported on by the parties during the conference call, however, the full paragraph on page 3 of the Order refers to several matters in a manner which we believe can usefully be clarified as follows:

- (1) The paragraph indicates that Applicants "will attempt to provide the parties with a status report on the project reorganization by November 3, 1981 . . ." As discussed with the parties and the Board, that report will be limited to advising the parties whether Brown & Root will continue to have a role in the Project and to describing the expected functional QA/QC responsibilities of HL&P, Bechtel and Brown & Root.
- and December 16 the intervenors would attempt to provide their reformulated position on various issues." These specific dates pertain only to the period within which the intervenors will identify to the Board and the parties any of their previously identified witnesses as to past events that they still plan to call. (Those witnesses would testify first at the resumed hearing session during the week of January 18, 1982, and would be followed by the NRC Staff witnesses.) The views of the intervenors concerning issues to be heard and any need for discovery would be filed by November 23, either as part of a joint submittal of all of the parties or as separate submittals.
- (3) Although the paragraph states that informal discovery would commence after the November 9 meeting, agreement on such discovery has not been reached among the parties but will be discussed at that meeting.
- (4) As the paragraph acknowledges, a schedule for completion of the hearings could not be set, but the

Charles Bechhoefer, Esquire Dr. James C. Lamb Ernest E. Hill Page Three October 14, 1981

parties and the Board discussed the mutual goal of completing the expedited hearing by the end of March 1982.

Respectfully submitted,

Of Counsel:

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Attorneys for HOUSTON LIGHTING & POWER COMPANY, Project Manager of the South Texas Project, acting herein on behalf of itself and the other Applicants, CITY OF SAN ANTONIO, TEXAS, acting by and through the city Public Service Board of the City of San Antonio, CENTRAL POWER AND LIGHT COMPANY and CITY OF AUSTIN, TEXAS.

cc: Certificate of Service

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of		
HOUSTON LIGHTING AND POWER) COMPANY ET AL.	Docket Nos. 50-	-498 OL -499 OL
(South Texas Project,) Units 1 and 2)		

CERTIFICATE OF SERVICE

I hereby certify that copies of Applicants' letter signed by Jack R. Newman to the Atomic Safety and Licensing Board dated October 14, 1981, have been served on the following individuals and entities by deposit in the United States mail, first class, postage prepaid, on this 14th day of October, 1981.

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