



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

May 2, 1988

The Honorable Phil Gramm
United States Senate
Washington, D. C. 20510

Dear Senator Gramm:

This is to acknowledge receipt of your letter dated March 10, 1988, which was received by the Commission on April 28, 1988, concerning licensing of the South Texas Nuclear Power Plant.

Please be assured that we are working on a response and a reply will be forwarded to you as soon as possible.

Sincerely,

A handwritten signature in dark ink, appearing to read "John C. Bradburne", written over the typed name and title.

John C. Bradburne, Director
Congressional Affairs
Office of Governmental and
Public Affairs

Houston Lgl + Power
React-2

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

PAPER NUMBER: CRC-88-0362 LCGGING DATE: Apr 28 88
ACTION OFFICE: EDO
AUTHOR: P. Gramm
AFFILIATION: U.S. SENATE
LETTER DATE: Mar 10 88 FILE CODE: ID&R-5 So Tx
SUBJECT: Licensing of the South Texas nuclear project
ACTION: Signature of EDO
DISTRIBUTION: OCA to Ack, Docket
SPECIAL HANDLING: None
NOTES:
DATE DUE: May 13 88
SIGNATURE: . DATE SIGNED: *5/12/88*
AFFILIATION:

TX

*cc: John
Mike*

*R
5/2/88*



UNITED STATES DEPARTMENT OF COMMERCE
The Assistant Secretary for Congressional
and Intergovernmental Affairs

Washington D C 20230

December 28, 1989

Honorable Phil Gramm
712 Main Street, Suite 2400
Houston, TX 77002

Dear Senator Gramm:

Thank you for your letter of December 17, 1989, regarding David W. Pruitt.

After careful review, we have found that this issue is not within the jurisdiction of the Department of Commerce. However, we have taken the liberty of forwarding your correspondence to the appropriate officials at the Nuclear Regulatory Commission for their disposition.

Sincerely,

Patricia Knight
Deputy Assistant Secretary

OFFICE OF CONGRESSIONAL AFFAIRS

CONTROLLED CORRESPONDENCE

CONTROL NUMBER: 1333
CA: ho

FROM: Gramm , Honorable Phil
SEND TO THE ATTENTION: Neal Burnham
SUBJECT: David W. Pruitt
DEPARTMENT REFERRED TO: the Nuclear Regulatory Commission
REFERRED FROM: the Department of Commerce
DATE REFERRED TO DOC: 12/27/89
ACTION OFFICE:
SIGNATURE LEVEL:
DATE ASSIGNED: 12/27/89
DATE DUE: 01/11/90
COPIES TO:
DATE OF LETTER: December 17, 1989
DATE STAMPED: 12/27/89
SALUTATION: Senator Gramm
SEGMENT LETTER: A
DATE CLOSED: / /

IF THERE ARE ANY QUESTIONS CONCERNING THE
CORRESPONDENCE PLEASE CALL HAGUE OLLISON 377-3663

Please send a copy of the outgoing response with the above Control
Number circled in red to ROOM 5514/ATTENTION: Hague Ollison.
Thank you.

United States Senate

WASHINGTON, D.C. 20510

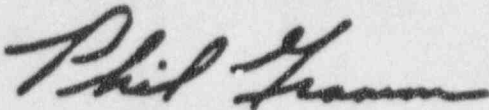
Date: 17 Dec. 189

RESPECTFULLY REFERRED TO:

Mr. Marc Stanley
Assistant Secretary for
Congressional and Intergovernmental
Affairs
Department of Commerce
Washington, D.C. 20230

The attached communication is sent for your consideration. Please investigate and forward to me the necessary information for reply, returning the enclosed correspondence with your answer.

By the direction of:



U.S.S.

PLEASE REPLY TO:

Senator Phil Gramm
712 Main, Suite 2400
Houston, Texas 77002
ATTN: Neal Burnham

CAP ROCK ELECTRIC COOPERATIVE, INC.

P.O. BOX 700



WEST HIGHWAY 80 • STANTON, TEXAS 79782-0700 • TELEPHONE (915) 756-3381

1-800-442-8888

STEVEN COLLIER
DIRECTOR OF POWER SUPPLY

P.O. BOX 9587
AUSTIN, TEXAS 78788-9587
512-454-0311

DEC 11 1989

November 27, 1989

The Honorable Senator Phil Gramm
Room 370 Russell Building
Washington, D.C. 20510

SUBJECT: Appraisal of Pending Status of Cap Rock Electric Cooperative, Inc. Request to Enforce Anti-Trust License Conditions at the Nuclear Regulatory Commission

Dear Senator Gramm:

On behalf of Cap Rock Electric Cooperative, Inc., I am writing to inform you of an enforcement proceeding of critical importance to Cap Rock Electric that is currently before the Director of Nuclear Reactor Regulation at the Nuclear Regulatory Commission (NRC). We may need your assistance in the near future in determining the procedural status of this matter.

Cap Rock Electric is a distribution electric cooperative, with headquarters in Stanton, Texas, that serves the electric power needs of more than 24,000 residential, commercial, irrigation and industrial customers in twelve counties in the Permian Basin area of western Texas. Cap Rock Electric is currently pursuing plans to change its power supply arrangements and lower its power supply costs to better serve its member consumers. Cap Rock Electric's efforts are being hindered by the refusal of Texas Utilities Electric Company ("TU Electric") to provide Cap Rock Electric with certain essential support and coordinating services. Cap Rock Electric believes that the anti-trust conditions attached to TU Electric's Comanche Peak Steam Electric Station, Unit One, operating license, and the federal anti-trust laws, require TU Electric to provide these services to Cap Rock Electric under reasonable terms and conditions.

"...trying harder to serve you better..."

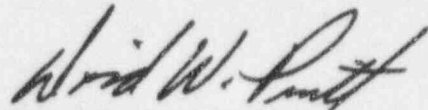
Senator Gramm
November 27, 1989
Page Two

On May 12, 1989, Cap Rock Electric filed an application with the Nuclear Regulatory Commission requesting that these license conditions be enforced. Although we understand that a decision may be forthcoming by the end of the year, to date we have received no formal response from the NRC. Our crucial power supply planning activities cannot proceed without resolution of this matter.

I am apprising you of the status of this matter at this time because, if we do not indeed receive a decision from the NRC by the end of the year, we will be requesting that you inquire as to the procedural status of this matter and the NRC's timetable for its disposition.

I would be happy to provide you with any additional information that you may require. Thank you very much for your time and consideration.

Sincerely,



David W. Pruitt
Chief Executive Officer &
General Manager

DWP:ma



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

February 22, 1990

Texas Util. Gen

The Honorable Phil Gramm
United States Senator
712 Main Street
Suite 2400
Houston, Texas 77002

Dear Senator Gramm:

I am responding to your inquiry of December 17, 1989, concerning the status of Cap Rock Electric Cooperative, Inc.'s (Cap Rock) request of May 12, 1989, for an order enforcing and modifying antitrust license conditions attached to Texas Utilities Electric Company's Comanche Peak Steam Electric Station (Comanche Peak). On August 9, 1988, Cap Rock submitted comments pursuant to an ongoing operating license antitrust review of Comanche Peak. In its comments, Cap Rock alleged that Texas Utilities Electric Company (TU Electric) was violating antitrust license conditions of the Comanche Peak licenses.

The staff considered Cap Rock's comments, as well as other pertinent information, in its review of TU Electric's activities and determined that the issues raised by Cap Rock were not germane to the Commission's operating license antitrust "significant change" review but should instead be considered in the context of an enforcement proceeding. Pursuant to 10 CFR 2.206, Cap Rock filed its request for enforcement action with the NRC's Executive Director for Operations, thereby formally initiating the instant enforcement proceeding. Cap Rock's comments were referred to the Director of the Office of Nuclear Reactor Regulation (NRR) for review and action.

On June 30, 1989, the Director of NRR made a "Finding of No Significant Change" pursuant to the antitrust operating license review of Comanche Peak. This Finding indicated, among other things, that Cap Rock's concerns would be addressed by the staff in the context of an enforcement proceeding. On July 26, 1989, Cap Rock requested the Director of NRR to reevaluate his Finding, contending that the alleged violations of antitrust license conditions by TU Electric represented "significant changes" in the licensee's activities. The Director of NRR reevaluated his Finding and on August 29, 1989, affirmed his Finding by indicating that Cap Rock had not presented any new information that would justify a reversal.

The staff review associated with Cap Rock's request for an enforcement action, a separate and distinct review from the operating license antitrust review of Comanche Peak, is in its final stages. On January 11 and 25, 1990, the staff

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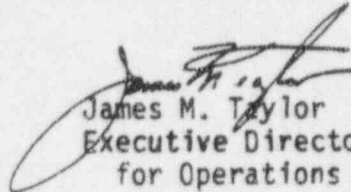
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The Honorable Phil Gramm

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met with the concerned parties in an effort to resolve the differences between TU Electric and Cap Rock. Another settlement meeting between Cap Rock and TU Electric has been scheduled for February 26, 1990. Negotiations are continuing, however, if the negotiations reach an impasse and the parties fail to reach a mutually agreed-upon settlement in the near future, the Director of NRR will issue a decision in this proceeding. I trust this reply responds to your concern.

Sincerely,



James M. Taylor
Executive Director
for Operations