WORSHAM, FORSYTHE, SAMPELS & WOOLDRIDGE ATTORNEYS AND COUNSELORS AT LAW THIRTY-TWO HUNDRED, 2001 BRY AN TOWER DALLAS, TEXAS 75201 TELEPHONE (214) 9.9-3000 FAX (8W) 880-001 JOE & WEIRSHAM M D SAMPELS. ROBERT / WOOLDRIDGE NEIL D ANDERSON RONALD M HANSON HOWARD V FISHER UCE A DAVIS 108 1976 ERIC H PETERSON WALTER W WHITE OF COUNSEL JOS ISION WORSHAM EARL A FORSYTHE EPENCER C RELYEA J DAL BOHANNAN THAVIS E VANDERPOOL L SCOTT AUSTIN W STEPHEN COCKERNAM CAVID T BRIGHAM GAVID H TAYLUR ANDELA AGEE HATTON DAVID C LONERGAN JOHN W MCREYNOLDS THOMAS F LILLARD ROBERT I. WISE THOTHY A MACK ROBERT M. FILLMORE DAVID P POOLE MICHAEL C WRIGHT CHRISTOPHER O JONES JAY K GRAY WHI STEPHICH BOYD MARK R WASEM ANDREW D BERFY HAROLD D. JONES L ELIZABETH HILL CHRIS R MILTENBERGER ROBERT P. DI. IVER ROBERT P. CILIVER ROBERT GROOVER III STEVEN R ELLINWOOD August 13, 1992 VIA FEDERAL EXPRESS Anthony T. Gody, Chief Policy Development and Technical Support Branch Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission One White Flint North 11555 Rockville Pike Rockville, Maryland 20852 Re: Texas Utilities Electric Company, Comanche Peak Steam Electric Station, Unit No. 2, Docket No. 50-446A Dear Mr. Gody: Enclosed are six copies of the letter order issued on August 11, 1992, by the Hon. John G. Hyde in the suit instituted by Cap Rock Electric Cooperative, Inc. against TU Electric in the 238th Judicial District Court of Midland County, Texas. Very truly yours, Sampels MDS/mkm Enclosures 9208180001 920813 PDR ADOCK 05000446

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CC: Thomas F. Murley, Director - With Attachment
Joseph Rutberg, Esq. "
Stever R. Hom, Esq. "
William M. Lambe "
James Milhoan,
Regional Administrator "
John M. Adragna, Esq. "
Douglas G. Green, Esq. "

## JOHN G. HYDE BISTRICT JUDGE 238TH JUDICIAL DISTRICT COURT 208 M. Mell, Suite 488 MIDLAND, TEXAS 74782



TELTPHONE 918-650-1562 PAX 918-650-1610

August 11, 1992

Mr. James P. Boldrick Attorney at Law 1801 W. Wall Midland, Texas 78701

Mr. M. D. Sampels Attorney at Lew 2001 Bryan Tower, Suite 3200 Dallas, Texas 75201

Ra: Cause Number B-38,878; Cap Rock Electric Cooperative, Inc. v. Texas Utilities Electric Company

Gentlemen:

Having reviewed the 1990 Fower Service Agreement, I believe that the contract interpretation edvanced by the Defendant is supported by a fair reading of the document and the prevailing law. Without report to oral testimony, the agreement contains exsential terms of quantity, delivery, rate schedule and notice. Considered in its entirety, the document provides for the sale and purchase of full-requirements until the eptions for partial requirements are met by Caprock Rieotric.

As it is conceded by both parties to be unambiguous, I conclude that the agreement is valid and may be lawfully enforced by either party to it.

Addressing next he issue of sanctions, I believe the authority given a trial judge should be utilized with cautien and restraint, but, by the same token, judges are remits in their duty to safeguard the integrity of the legal system by overlooking violations which undermine that system.

I believe that the testimony of Mr. Cellier was not due to inadvertence, forgetfulness or more mistake but was calculated to and did, in fact, mislead the trial court. Caprock was directed by the Court to furnish all documents on a success fee contract to the Court. In response to that directive, documents were furnished marked "draft", thus comforming to the testimony of Mr. Cellier. In reality a signed success fee agreement had been to existence but had been rescinded for the trial of this case.

Mr. James P. Boldrick Page 2 August 11, 1992 Mr. M. D. Sampels This conduct by Caprock disobeyed the court order and was contrary to the dignity of court proceedings. I am convinced by the article cited by Plaintiff (44 Baylor Lew Review 258) that authority for sanctions must be found in Rule 218 Itself and not by inherent power of a trial court. Section 1b of that rule provides in part that "If a party or an officer, director, or managing agent of a party ... fails ... to obey an order to provide or permit discovery ... the Court in which the action is panding may ... make such orders in regard to the fallure as are just ... By furnishing misleading documents rather than the actual documents directed by the Court, the Plaintiff failed to obey the Court order. Assessing this conduct from what I consider a reasonable perspective, I believe it should be subject to sanctions. Given the context in which it happened and the impact the conduct had on the case, I find the following sanctions to be justified. In reliance on Branden v. Downey, \$11 5W2d \$29, I deem it appropriate to order Carrock to provide for the performance of 200 hours of community service for this infraction. The community service must be based on a list of court-approved recipients and may be performed in any county within the region for which Caprock supplies electrical power but must be verified in affidevit form filed with this Court by the recipient of the community service. To allow ample time for appellate review of this ruling, the community service must be completed within twelve months of the date the judgment in this cause becomes final. JGR/ch