

The Light company

Houston Lighting & Power

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April 14, 1989

ST-HL-AE-2985

File No.: G25, G4.2

Nuclear Regulatory Commission
Document Control Desk
Washington, D.C. 20555

South Texas Project

Units 1 & 2

Docket Nos. STN 50-498, STN 50-499

Review of the COA v. HL&P Litigation Record

References: 1) ST-HL-AE-1346 dated August 30, 1985
2) ST-HL-AE-2797 dated September 30, 1988
3) ST-HL-AE-2921 dated December 20, 1989

Enclosed for your information are modifications to the program document describing those changes necessary to review the litigation record produced during the trial phase of the lawsuit by the City of Austin (COA) against Houston Lighting & Power Company (HL&P) and its parent, Houston Industries (COA v. HL&P). This is required because, since the time of submittal of Reference 2, the litigation has resumed and the lawsuit is at trial.

The enclosed document describes the scope and methodology of the program which was initiated upon start of the trial phase (Phase III) on March 9, 1989. We welcome NRC involvement in this work to the maximum degree consistent with the Commission's resources, including participation in the review. In addition, program procedures, criteria, and guidelines will be available for review by the NRC, as well as qualification statements for the engineers involved in the review program. This program is similar to that described in the attachment to Reference 2, the program document which was used during Phase I and II of this litigation record review. The results of Phase I were transmitted by Reference 3 and the results of the Phase II review will be transmitted in April, 1989.

The objectives of the review remain unchanged and are: (1) to examine the litigation record to determine whether it discloses any previously unidentified safety-related deficiency in the system, structures or components (SSC) of the STP or their associated design or quality documents; and (2) to document the review process and its results in an auditable form.

The program description changes (identified by change bars in the margin) modify the program as conducted during Phase I and II only as necessary to review the record produced during the trial phase. The changes to the program are described below.

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It is anticipated that the trial in COA v. HL&P will include the testimony of a number of witnesses about various subjects including the design and construction of STP and the technical adequacy of SSC at STP. Documents which bear on these subjects may be introduced into the record.

As indicated above, the documents fall into two major categories: transcripts of the courtroom proceedings and exhibits introduced during those proceedings. The transcripts will contain the testimony of witnesses called by the parties as well as legal arguments by counsel for the parties and rulings by the presiding judge. Every transcript will be reviewed in its entirety (line-by-line) although presumably only the testimony of witnesses will address facts on substantive matters in the litigation.

Exhibits introduced during the trial will be reviewed after any screening that is determined to be necessary. There will be no screening and review of any exhibits previously screened in the COA v. HL&P or HL&P v. B&R litigation record reviews. It is expected that almost all of the exhibits introduced in the trial will have been designated as Trial Exhibits previously and therefore screened earlier in the litigation record review.

It is also possible that the parties may file motions (and responses) during the trial. Most such motions will deal with procedural matters or legal issues and not the facts underlying the lawsuit. As discussed in the earlier Program Document for the COA v. HL&P Litigation Record Review, motions are not themselves factual documents and therefore are not reviewed in the program. However, affidavits and exhibits attached to substantive motions (as opposed to procedural motions) may well contain factual information relevant to the review program. Therefore, in Phase I and II of the review program, exhibits and affidavits attached to motions for summary judgement were screened and, if appropriate reviewed. Similarly, affidavits and exhibits attached to substantive motions made during the course of the trial proceeding will be reviewed in Phase III of the review program. Any motions (or responses) made orally will be reviewed in the transcripts.

The purpose of the line-by-line review is, of course, to identify any assertions of deficiencies in STP SSC or their associated design or quality documents. Each identified assertion will be examined to determine:

- (1) whether the substance of the assertion is safety-related; and
- (2) if the assertion is safety-related, whether the Project has already resolved the matter covered by the assertion or identified it for resolution; or
- (3) whether the assertion is factually erroneous.

If an assertion is found to be safety-related but not resolved or identified for resolution by the Project and can not be shown to be factually erroneous, a Deficiency Evaluation Form covering the substance of the assertion will be prepared and transmitted to STP's Project Engineering for evaluation in accordance with applicable Project procedures pursuant to 10CFR50.72.

The Litigation Record Review will be conducted by S. Levy, Inc., (SLI) under contract with HL&P. HL&P engineers will participate in the review effort by periodically monitoring the work as well as providing assistance to the SLI engineers in obtaining necessary information from the Project.

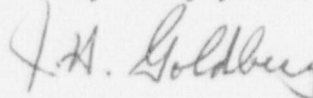
The trial is presently expected to last six months. HL&P has instructed SLI to conduct the review promptly. That is, each transcript volume is to be reviewed as soon as it is available. The work of Reviewers (identifying assertions) and Specialists (providing dispositions of assertions) is scheduled to be completed within fourteen days after each transcript volume is available. The final report of the Phase III Litigation Record Review should be filed with the NRC approximately sixty days after the trial record is closed.

The SLI QA Surveillance will be performed at the SLI home office based on the work products transmitted from the STP site and those generated at the home office. HL&P Quality Assurance will conduct two audits during Phase III, one early in the program and a second just prior to the end of work.

Other aspects of the program remain unchanged.

If there are any questions, please call J. N. Bailey at (512) 972-8663.

Very truly yours,



J. H. Goldberg
Group Vice President, Nuclear

JNB:djc

- Attachment: 1) Review of the Litigation Record in City of Austin v. Houston Lighting & Power Company, et al.
2) Issues Index to Pleadings
3) COA v. HL&P Chronological List of Pleadings

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Houston Lighting & Power Company

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Revised 12/21/88

REVIEW OF THE LITIGATION RECORD IN
CITY OF AUSTIN V. HOUSTON LIGHTING & POWER COMPANY, ET AL.

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I. INTRODUCTION

The city of Austin (COA) filed suit against Houston Lighting & Power Company (HL&P) and Houston Industries, Inc., HL&P's parent corporation, in January 1983. The pretrial phase of the litigation continued since then with the parties pursuing discovery by means of depositions, interrogatories, requests for admissions, and examination of documents. The Court held a number of pre-trial hearings, most of which related to motions for summary judgement, discovery, scheduling, and administrative and procedural matters such as the proper venue for trial of the case. The case was originally filed in the Texas District Court for Travis County and was transferred to Dallas County in October, 1986 in response to a motion for change of venue.

On March 17, 1988, the parties reached a tentative Settlement Agreement. This agreement was subsequently rejected by HL&P and the lawsuit resumed in October, 1988. Pretrial activities were resumed and the trial is now scheduled for March, 1989.

In the litigation between COA and HL&P and Houston Industries (COA v. HL&P), as the co-applicant responsible for the licensing of the South Texas Project (STP or the Project), HL&P is undertaking a review of the litigation record as reflected in the discovery materials filed with the Court and the trial proceeding documents to determine whether such materials identify

safety-related deficiencies in the systems, structures or components (SSC) of the STP or their associated design or quality documentation.

In general, the review will be conducted in two stages. First a screening process will be performed to identify those litigation record documents that might contain technical information concerning STP SSC. Any such documents will then be reviewed in detail by experienced engineers employed by S. Levy, Inc. (SLI), who will identify any assertions of deficiency in these documents with respect to STP SSC pursuant to detailed procedures, guidelines and criteria. The SLI review process will be under the surveillance of SLI and HL&P personnel and will be conducted in accordance with the SLI Quality Assurance (QA) program and monitored by HL&P in accordance with its QA program.

It is important that the reader review the history of the STP (pp. 3-21); it demonstrates that STP has been one of the most extensively tested, inspected and scrutinized nuclear power plants in the United States. Over a period of two years (1981-82), virtually all safety-related construction was checked by special engineering task forces and expert consultants, and the entire design was reviewed by Bechtel under monitoring by the NRC Staff. Also, beginning in 1982 STP underwent an extensive Engineering Assurance Program to provide additional assurance that the STP design is technically adequate and meets applicable regulatory requirements. Finally, in 1985-86, the massive record in the litigation between the STP Owners and Brown & Root, Inc.

(B&R) (the former architect/engineer and constructor for STP) (HL&P v. B&R) was reviewed to determine whether any previously unidentified safety concerns existed. Each of these efforts was in addition to the QA program and NRC inspections that are typically performed to assure the quality and regulatory compliance of the design and construction of a nuclear power plant.

The goal of the current litigation record review program is to determine whether the record in the COA v. HL&P litigation discloses some safety-related deficiency in the design or construction of STP SSC not previously identified.

The program is expected to require about four man-years of engineering effort and to be conducted in several phases. Phase I consisted generally of the pretrial documentation filed with the court by July 25, 1988. The report of the Phase I review was filed with the NRC in December 1988. Phase II consisted generally of the pretrial documentation filed with the court after July 25, 1988 and the scheduled start of the trial in early March 1989. The report of the Phase II review is expected to be filed in March 1989. Phase III will cover the review of documentation and testimony during the trial. The final report will be filed with the NRC 60 days following the close of the trial record. The program will result in a completely auditable record consisting of hard copy files, a computerized database and reports to NRC on each phase of the review.

II. HISTORY OF THE SOUTH TEXAS PROJECT

A. Background Information

The South Texas Project is a two unit nuclear generating station located approximately 15 miles southwest of Bay City, on the west side of the Colorado River, in Matagorda County, Texas. Each unit is a Westinghouse pressurized water reactor with a net rated electrical output of 1250 megawatts (MW). STP is owned jointly by Houston Lighting & Power Company (HL&P), Central Power & Light Company, the City of Austin and the City of San Antonio. HL&P, as the Project Manager, supervises the construction of STP and is the lead applicant in the operating license proceedings for the facility. Fuel loading at STP took place in August 1987 for Unit 1 and December 1988 for Unit 2. HL&P received a full power operating license for Unit 1 on March 22, 1988. Unit 1 began commercial operation in August 1988. Unit 2 commercial operation is scheduled for June, 1989.

B&R was engaged as architect/engineer and constructor for STP in 1972, and design work for the Project commenced that same year. HL&P submitted an application for construction permits for STP on May 19, 1974. A Limited Work Authorization (LWA) for site preparation activities was granted on August 12, 1975, and work within the scope of the LWA commenced in September 1975. The construction permits for both units were issued on December 22, 1975.

B&R remained the architect/engineer and constructor at STP from the commencement of work until September 1981, when it was

terminated as architect/engineer by HL&P and the other Owners because of its inability to perform design and engineering work for the Project in a timely fashion. Bechtel was hired to replace B&R as architect/engineer and construction manager, and transition of Project engineering work from B&R to Bechtel began in October 1981. Although HL&P and the other Owners wished to retain B&R as constructor for STP, B&R declined to remain in that capacity. On February 15, 1982, HL&P announced that Ebasco had been selected to replace B&R as constructor.

Replacement of B&R as the architect/engineer and constructor effectively shut down all work at STP for several months. Bechtel did not resume engineering work on a production scale until the end of April 1982, and design work in some areas was not resumed until several months later. Most safety-related construction had already been halted in late 1979 and early 1980. Although a limited amount of safety-related work was released for construction while B&R was still on the job, full scale safety-related construction was not resumed until August 1982, after Bechtel and Ebasco had started work. Nonsafety-related construction resumed in June 1982.

On August 4, 1982, Bechtel issued a Project Completion Forecast based on fuel load for Unit 1 in December 1986 and for Unit 2 in December 1988. Unit 1 obtained a fuel load license on August 21, 1987, and a full power operating license on March 22, 1988. Unit 2 obtained a fuel load license on December 16, 1988. |

B. Previous Reviews of STP Engineering and Construction

The design, engineering and construction of STP have received unusually close scrutiny. In addition to normal inspections by the NRC, construction of the Project was thoroughly reviewed as an outgrowth of an NRC enforcement action and voluntary stop-work orders confirmed by the NRC Staff. The change of contractors in 1981 entailed further independent reviews of the adequacy of construction as well as design and engineering. Since that time, other independent reviews have been conducted, such as the Engineering Assurance Program and a review of the record in the HL&P v. B&R litigation.

1) The NRC 79-19 Investigation and Related Reviews

On November 10, 1979, the NRC undertook an intensive investigation of QA/QC and related construction activities at STP. This investigation was carried out over three months by one NRC investigator and five inspectors, at least one from each of four NRC regional offices. The investigation included observations, document reviews, witnessing of tests and over 100 interviews with HL&P, B&R and subcontractor personnel working at STP.

Much of this investigation was directed at construction related QA/QC programs at STP, especially in the areas of structural backfill, concrete placement and welding. The results of the investigation were documented in Investigation Report 79-19 which described 22 inadequacies at STP. Based on the results of the investigation, the NRC's Office of Inspection and Enforcement issued a Notice of Violation and Notice of Proposed Imposition of

Civil Penalties on April 30, 1980, accompanied by an Order to Show Cause why safety-related construction at STP should not be stopped ninety days from the date of the Order. Prior to the issuance of the Show Cause Order, HL&P had voluntarily stopped work on placement of complex concrete (Dec. 28, 1979) and safety-related welding (April 14, 1980) in response to problems identified by the NRC as well as observations by HL&P and B&R QA/QC personnel. These stop work orders were confirmed by Confirmatory Action Letters from NRC Region IV. The Show Cause Order required substantial re-examination of completed construction work and improvement in the STP QA/QC program, but did not require any additional stop work orders.

Extensive corrective actions were taken by HL&P to resolve the problems noted in the NRC's investigation and concurrent HL&P and B&R QA/QC audits. In January 1980, HL&P retained Bechtel Power Corporation to conduct an in-depth audit of the QA/QC program at STP. Other consultants were hired to review and advise management on issues related to harassment and intimidation.

Special emphasis was placed on soils, concrete and welding, which were three areas where it was thought that deficiencies might exist. At the time of the 79-19 investigation and report, structures in these three areas represented the overwhelming majority of the then-completed safety-related construction work. HL&P devised extensive review programs to determine the adequacy of the work in each area and to describe and schedule any

necessary repairs.

a. Soils

HL&P and B&R initiated a soil test boring program in January 1980 to assess and verify the adequacy of the in-place Category I structural backfill at STP. This program was conducted by geotechnical engineers from Woodward-Clyde Consultants (WCC). This soils program verified the overall adequacy of the Category I backfill, but WCC recommended further confirmatory investigations in four specific locations. This program was completed in April 1980.

After the issuance of the Show Cause Order on April 30, 1980, HL&P established a special Task Force to perform a second verification of previously placed backfill. This Task Force consisted of geotechnical and QA engineers from B&R, HL&P and WCC. In order to further guarantee the accuracy of its structural backfill analysis, the Project also hired Shannon and Wilson, Inc., to establish an independent Expert Review Committee of geotechnical experts to examine Category I structural backfill construction at STP and to review the work of the special Task Force. This Expert Review Committee consisted of three recognized¹ experts on soils, backfill and soil compaction. Both the Task

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These experts were: 1) Dr. A. J. Hendron, Professor of Civil Engineering, University of Illinois; 2) Dr. H. Bolton Seed, Professor of Civil Engineering, University of California at Berkeley; and 3) Stanley D. Wilson, an international consultant on embankment dams and on the behavior and properties of compacted soils.

Force and the Expert Review Committee performed reviews of backfill placement at STP. These reviews included examination of the materials used for backfill, backfill placement practices, documentation reflecting how compaction of backfill was inspected and tested during placement, and the results of subsequent tests and borings. In addition, the Expert Review Committee examined the methods used and analyses performed by the Task Force. Both the Task Force and the Expert Review Committee concluded that in-place backfill at the Project met applicable Project and regulatory requirements. The NRC Staff, after reviewing the work of the Task Force and the Expert Review Committee, concurred.

b. Concrete

A similarly extensive series of reviews was performed with respect to concrete placement. At the time the Order to Show Cause was issued, HL&P was already in the midst of a concrete verification and inspection program stemming from the discovery of voids in Lifts 8 and 15 of the Unit 1 Reactor² Containment Building. This verification and inspection program covered 80 percent of the reactor containment building shell walls, and consisted of visual inspections, soundings, test borings and core drillings. All significant voids discovered were

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The walls of each reactor containment building are constructed in circumferential rings called "lifts." Each lift is composed of a 10' deep pouring of reinforced concrete around the circumference of the RCB. Voids are created if concrete fails to completely fill the space into which it is poured.

mapped and filled.

Upon issuance of the Order to Show Cause, HL&P and B&R formed a Task Force to perform an assessment of the remaining safety-related concrete structures at STP. This Task Force included more than twenty full-time HL&P and B&R engineers. In addition, a special group of expert consultants was retained to ensure that the Task Force program was conducted properly.³

The Task Force's review covered nearly 70 percent of all safety-related concrete placed at STP. Much of the remaining 30 percent was in structures, such as the reactor containment buildings and the essential cooling water intake and discharge structure, that had already been subject to review. Within the structures reviewed, a sample of concrete placements was selected by conservative, statistically valid methods for examination. The Task Force review proceeded in four phases: 1) a review of all documentation related to each selected concrete placement; 2) a field survey to verify that the "as-built" condition of the selected structures corresponded to documentation; 3) a visual inspection of each placement; and 4) a random selection of three sample areas in each placement upon which to perform several

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These included Joseph S. Artuso, President of Construction Engineering, Inc., an expert on concrete inspection and testing; Thomas J. Reading, a materials expert formerly with the U.S. Army Corps of Engineers; and Dr. Richard C. Meilenz, an expert on the application of petrography to civil engineering problems and materials and past president of the American Concrete Institute.

specialized tests, including test borings, ultrasonic examination of consolidation and verification of the location of embedded steel. At the end of this review, it was included that the quality of safety-related concrete at STP was adequate and that the performance of concrete structures would meet design requirements. After examining the work of the Task Force and expert consultants, as well as the results of a number of other tests, inspections and repairs performed on safety-related concrete at STP, the NRC Staff agreed that no internal honeycomb or void areas remained unrepaired in the structures.

c. Welding

Safety related welding at STP was also subjected to a thorough verification program. In response to Investigation Report 79-19, HL&P and B&R formed a Task Force, similar to those for soils and concrete, to examine safety-related welding on the Project. An Independent Review Committee, consisting of three experts, was retained to review and approve the work of the welding Task Force.⁴

Initially, the welding Task Force examined randomly selected

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The welding Independent Review Committee consisted of: Roger F. Reedy, Chief Consultant at Nutech, an expert experienced in nuclear-related welding and a chairman of the Subcommittee on Nuclear Power of the ASME Boiler and Pressure Vessel Committee; Daniel P. Hegglin, also of Nutech, an engineer experienced in nuclear welding and procedures; and Samuel A. Wenk, an engineer at the Southwest Research Institute and a former director of both the ASNT and ASTM.

safety-related piping and structural welds made by B&R. After this initial investigation revealed a significant percentage of nonconforming welds, the Task Force recommended re-examination of safety-related welds, and where required, repair of these welds. Accessible safety-related structural (AWS Code) welds were re-examined and repaired as necessary to bring them into compliance with specifications. Furthermore, an evaluation of inaccessible structural welds demonstrated that each would perform its intended function. Radiographs of ASME welds were reviewed according to a detailed examination and repair plans approved by NRC Staff. All welds discovered to be defective during the course of the Task Force examination were repaired, and new procedures were put in place after the issuance of the Show Cause Order to ensure that welding deficiencies would not recur. The NRC Staff, which continuously monitored the efforts of the welding Task Force, concluded that HL&P had met its commitments relative to the safety-related welding program at STP and therefore, in December 1981, closed out the welding item in the Show Cause Order.

In summary, almost two years of effort were devoted to establishing the adequacy of safety-related construction at STP. The Atomic Safety and Licensing Board conducting the STP operating license proceeding, after hearing the testimony of the Applicants, the experts who reviewed the work of the soils, concrete, and welding Task Forces, and the NRC Staff witnesses, and after examining all other aspects of the record related to the quality

of construction at STP, stated: "We find that, as of the close of the Phase I record, there is reasonable assurance that the structures in place at the STP are in conformity with applicable regulatory requirements." Houston Lighting & Power Company, et al. (South Texas Project Units 1 and 2), LBP84-13, 19 N.R.C. 659, 702 (1984).

2) Reviews Related to the Transition of Responsibilities from B&R to Bechtel and Ebasco

The termination of B&R and the subsequent takeover of the engineering and construction of STP by Bechtel and Ebasco, respectively, prompted review of all aspects of the engineering and construction at the Project. In both scope and level of detail, this review was unprecedented in the nuclear industry.

a. Bechtel's Review of Engineering

Under the terms of the contract between HL&P and Bechtel, Bechtel is obligated to assume design responsibility for the entire Project, including work completed by B&R. Before Bechtel could accept responsibility for the adequacy of the existing design and resume design production, the precise status of all engineering and design work had to be ascertained. Therefore, upon assuming its role as architect/engineer for STP in the fall of 1981, Bechtel undertook an in-depth review of the entire STP design directed toward evaluating the adequacy of the existing design as well as determining what work remained to be done.

In order to accomplish this review, Bechtel, with the assistance of engineering personnel from HL&P and B&R, divided

the engineering and design for STP into approximately 200 individual sections called "work packages." Most work packages related to discrete physical structures or plant systems, such as particular buildings, piping or electrical systems. Other work packages covered interdisciplinary matters such as licensing documentation, pipe break analysis and safe shutdown criteria. Again with the assistance of HL&P and B&R, Bechtel assembled all of the Project documentation pertinent to each work package. The number and type of documents in each work package varied depending on its subject matter. Typical work packages might include system design descriptions, logic diagrams, flow diagrams, piping and instrument diagrams, equipment specifications, calculations, vendor drawings, isometric drawings and other documents. Bechtel did not commence review of a work package until it was determined that sufficient documentation had been assembled to allow a complete review of the design embodied in the package.

Once a work package was assembled, Bechtel thoroughly examined all design documents in it. In doing so, depending on the nature of the work package, Bechtel evaluated the design assumptions and methods of analysis used by B&R, checked to see if applicable design criteria and technical requirements were met, assessed the adequacy of design verification, reviewed design drawings and calculations for accuracy, and checked that the latest revisions of documents were being used by all disciplines. In its review of the work packages, Bechtel

particularly considered Quadrex Report⁵ findings which related to the various work packages, and collected the results of that review in a separate interdisciplinary work package.

Bechtel generated a report on each work package and solicited comments as appropriate from cognizant engineers within B&R and HL&P. Each report included discussions of any technical problems identified by Bechtel, as well as a description of work necessary to complete the design. After meetings at which the comments on each work package report were reviewed, the work package reports were revised accordingly and transmitted to HL&P.

These work package reports remain part of the Project documentation, and were the basis from which Bechtel resumed design production for STP in the spring and summer of 1982.

Bechtel's engineering review effort was overseen by NRC. In January 1982, the NRC assigned a resident engineer to Bechtel's Houston offices to monitor on a full-time basis the transfer of engineering documents and Bechtel's review of these documents. The resident engineer performed reviews of selected work package reports, and engineers from the NRC's Office of Nuclear Reactor Regulation assigned to aid the resident engineer

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The Quadrex Report was performed in the Spring of 1981. It was commissioned by HL&P in order to benchmark the status of B&R's engineering and its capability to complete the design in accordance with Project schedules. Quadrex reviewers also examined selected design products and identified several matters determined to be reportable to the NRC under 10 CFR 50.55(e).

reviewed additional selected work package reports. This unusual degree of scrutiny of Bechtel's work by the NRC provides significant assurance that any defects in the STP design were detected by Bechtel's review.

As a result of Bechtel's review, many changes were made in the design for STP and were fully documented in STP records. Although some constructed work had to be removed (e.g., large amounts of HVAC duct work and cable tray supports), the extent of alteration of in-place components at STP was limited, because at the time Bechtel became architect/engineer in September of 1981, only about 1/3 of the construction at STP had been completed. In addition, the majority of the work in place at that time had already been thoroughly inspected and where defective had been repaired or corrected as a result of the 79-19 investigation and related reviews.

b. Review of In-place Construction by Bechtel and Ebasco

Bechtel's take-over of architect/engineer and construction management functions also necessitated that STP be physically examined to determine the exact status of all construction. The limited extent of safety-related construction activities between 1979 and mid-1982 facilitated a detailed, systematic review.

Among the key aspects of Bechtel's review of plant construction was a series of "walkdowns" which collectively covered all completed construction at the plant. During these walkdowns, Bechtel and B&R personnel visually checked the

installed sections of the plant against applicable design drawings. Ebasco also provided manpower to aid during the walkdowns. The drawings were marked up to reflect the extent to which construction of the items represented on the drawings had been completed. The walkdowns also assured that construction had proceeded according to the design or alternatively recorded the extent of any deviation from the design. Following each system walkdown, Bechtel audited the quality control records for completed construction on that system to verify that these records had been properly generated and maintained. Thus, Bechtel's review not only provided for a physical check of completed work but also assured that documentation existed which provided objective evidence that work had been done properly.

In addition to the walkdowns and general document verification effort, Bechtel and Ebasco conducted special reviews of safety-related ASME welding at STP to verify that all such welds met code standards. During these reviews, all accessible safety-related welds were visually inspected, and the documents and radiographs pertaining to these welds were examined to determine whether documentation for each weld was complete. Any welds found to be defective or to lack acceptable documentation were either radiographed to verify their adequacy or were repaired.

The NRC monitored both the general transition of construction work and the special welding reviews. An NRC resident inspector, who was on the site full-time during this

transition, reviewed various aspects of Bechtel's and Ebasco's transition activities. In addition, select teams of NRC personnel monitored the special welding reviews. The NRC's oversight thus provided additional assurance that Bechtel and Ebasco performed their examination of in-place construction of STP in a thorough, consistent manner.

3) Engineering Assurance Program

In 1982, HL&P initiated the Engineering Assurance Program. The purpose of this program was to provide additional assurance that the design of the South Texas Project was technically adequate and fulfilled applicable licensing commitments and requirements. This independent review was performed by Stone & Webster, an architect/engineering firm with substantial experience in the design and construction of nuclear plants. Stone & Webster reviewed Bechtel's design process and performed a detailed review of the technical adequacy of representative STP SSC and other design features. The areas selected for review included subjects which had typically proven troublesome for the rest of the industry, as well as areas of particular interest to STP. The areas reviewed by Stone & Webster included:

- Soil structure interaction analysis and seismic design;
- Design process review;
- ASME III pipe stress analysis;
- ASME III pipe support design;
- Containment pressure/temperature/radiation analysis;

- Environmental qualification of equipment;
- Separation and fire protection criteria;
- Control room HVAC system;
- Offsite and medium voltage AC power supply systems;
- High energy line break analysis; and
- Field walkdowns.

The results of the Engineering Assurance Program demonstrate that the portions of the STP design reviewed during the program are technically adequate and comply with applicable licensing requirements. These results were documented in the Summary Report for the program, which was submitted to the NRC in March 1987. Because of the depth and extensiveness of the Engineering Assurance Program, the NRC determined that it provided an acceptable substitute for the independent design verification program (IDVP) ordinarily required by the NRC.

C. HL&P v. B&R Litigation Record Review

HL&P undertook a systematic review of the record created during the litigation between the Owners of STP and the original architect/engineer and constructor of the Project, Brown & Root, Inc., and its parent, Halliburton, Inc. (HL&P v. B&R). The object of this review, which was conducted between August 1985 and February 1986, was twofold: 1) to examine the litigation record to determine whether it discloses any previously unidentified safety-related deficiency in the SSC of the South Texas Project or their associated design or quality documents;

and 2) to document the review process and its results in a retrievable form. To do this, those portions of the HL&P v. B&R litigation record which were likely to contain assertions of deficiencies in STP SSC were reviewed by SLI in accordance with procedures, guidelines, criteria, and instructions developed for the review program. The three categories of record documents reviewed were deposition transcripts, answers to interrogatories, and expert reports.

The results of the HL&P v. B&R litigation record review were described in "Report for the South Texas Project Litigation Record Review Program," which was transmitted to the NRC on March 21, 1986. In excess of 5000 assertions of deficiency were identified during the course of the review, but no previously unrecognized safety-related deficiencies in STP SSC were disclosed. The results of the review demonstrate that safety-related deficiencies asserted in the HL&P v. B&R litigation record had already been identified by Bechtel, Ebasco, or HL&P. Given the number and breadth of the allegations in that litigation, this fact underscores the thoroughness and success of the earlier intensive reviews performed on STP.

D. Summary of History of STP

STP is one of the most intensively scrutinized commercial nuclear facilities in the United States. The design, construction and associated documentation for the Project in place at the time Bechtel and Ebasco replaced B&R underwent a

more far-reaching and detailed review than is customary in the nuclear power industry. In addition, other independent reviews such as the Engineering Assurance Program and the review of the HL&P v. B&R litigation record have been conducted more recently. The NRC has overseen the major reviews of work on the Project, and has examined the results of these reviews. Thus, there is a high level of certainty that any defects in the design or in-place construction of STP have been discovered and corrected.

III. THE LITIGATION BETWEEN THE CITY OF AUSTIN AND HOUSTON LIGHTING AND POWER COMPANY, ET AL.

A. Brief History of the Case

The COA filed suit against HL&P and Houston Industries, Inc., HL&P's parent corporation, in January 1983. The pretrial phase of the litigation continued since then with parties pursuing discovery by means of depositions, interrogatories, requests for admissions, and examination of documents. The Court held a number of pre-trial hearings, most of which related to motions for summary judgement, discovery, scheduling and administrative and procedural issues such as the proper venue for trial of the case. The case was originally filed in the Texas District Court for Travis County and was transferred to Dallas County in October 1986 in response to a motion for change of venue.

On March 17, 1988, the parties reached a tentative Settlement Agreement. This agreement was subsequently rejected by HL&P and the lawsuit resumed in October, 1988. Pretrial

activities were resumed and the trial is now scheduled for March, 1989.

B. Issues in the Litigation

In the petition initially filed with the court, COA alleged that HL&P had misrepresented the capabilities of the original architect/engineer and construction manager of the project and failed to properly perform its duties as Project Manager. Because of these alleged misrepresentations and failures, COA asserted it was entitled to, among other things, (a) a reformation of the participation agreement such that COA would convey to HL&P its 16% interest in the Project, (b) a refund from HL&P of the approximately \$437 million expended by COA to that date, and of all sums expended by COA on the Project thereafter, and (c) damages in an additional unspecified amount. In December 1985, COA filed an amended petition which again alleged that HL&P had misrepresented the capabilities of the former architect/engineer and failed to properly perform its duties as Project Manager for the South Texas Project. In addition, the amended petition asserted claims against HL&P under the Texas Deceptive Trade Practices-Consumer Protection Act (DTPA) and sought, from both HL&P and Houston Industries, either (a) an unspecified amount of damages, including treble damages to the extent proper under the DTPA, as well as prejudgment interest costs and attorney's fees, or (b) a reformation or rescission of the participation agreement for the South Texas Project requiring

HL&P to return to COA all of the monies expended by COA with respect to its 16% interest in the Project to the date of the judgement, with interest, relieving COA of all future obligations with respect to such interest in the Project, and providing for a concurrent transfer by COA of such interest to HL&P.

COA and HL&P filed motions for partial summary judgment on various issues in the case. On October 10, 1986, the trial judge ruled that COA is not entitled to reformation or rescission of the participation agreement for the South Texas Project. The trial judge overruled HL&P's motion for partial summary judgement directed at COA's allegations asserting that there was fraud in the inducement relating to COA's motion seeking to hold HL&P responsible for the actions of the former architect/engineer. The judge also denied HL&P's request for summary judgment on all claims relating to the participation agreement. However, the judge also ruled that COA must prove that HL&P breached the participation agreement by failing to report material information and must prove damages specifically related to such failure to provide information. The judge permitted COA to maintain its claim for \$830 million under this theory of recovery if it could show that the owners would have cancelled the South Texas Project in 1976 and that COA would have built a coal plant in lieu of the South Texas Project. However, on August 10, 1987, COA provided an updated calculation of its alleged damages under that claim, dropping its claim under this theory of recovery to \$740 million. On August 11, 1987, the judge reversed the earlier order denying

HL&P's motion for summary judgment as to COA's DTPA claims. Thus, COA's DTPA claims were mooted and its damage claims were no longer subject to trebling under the DTPA.

On September 3, 1987, HL&P announced that it had reached an agreement in principle (Agreement in Principle) with COA to acquire COA's 16% share of the South Texas Project. This agreement was subsequently rejected by HL&P and the lawsuit resumed in October, 1989.

The majority of the issues in the litigation are non-technical and do not relate in any way to potential deficiencies in SSC at STP. Such issues include the amount of damages claimed, the applicability of laws such as the DTPA to the case, and the feasibility and cost of constructing a coal plant in 1976. The parties spent considerable effort, including substantial discovery, on various procedural issues, most notably whether the District Court for Travis County was the proper venue for trial of the case. These issues are not germane to whether the plant was properly engineered and constructed. However, there are some particular discovery materials such as certain depositions and interrogatory answers that include technical information related to STP SSC. These technical discovery materials generally do not present new technical information because it was COA's position in the litigation that HL&P was responsible as Project Manager for any Brown & Root-caused deficiencies in STP design or construction that had been alleged in the HL&P v. B&R litigation. COA did not independently

generate examples of such deficiencies. The types of discovery materials in the litigation record and the kinds of information contained in these materials are described below.

C. Types of Discovery Materials

The parties on both sides of the litigation spent most of their energies conducting discovery to establish the facts relevant to the case. This discovery was conducted primarily by means of interrogatories, requests for admissions, depositions, and requests for production of documents.⁶

1. Interrogatories and Requests for Admissions

Interrogatories are written questions propounded by one party to an opposing party or parties in a lawsuit. Parties to whom interrogatories are propounded are required to answer them unless they call for legally privileged information or are otherwise objectionable. The parties to the COA v. HL&P litigation made extensive use of interrogatories to extract information from opposing parties. By the time of the litigation record review, most of these interrogatories had been answered.

However, a large number of the interrogatories, answers to

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Unlike the HL&P v. B&R litigation record which included a number of expert reports, the COA v. HL&P litigation record contains no expert reports filed as such. Some materials which are analogous to expert reports have been attached to documents such as interrogatories and requests for admissions and will be reviewed as part of those documents in the COA v. HL&P litigation record review.

the interrogatories, and requests for admissions in the case related only to issues having no bearing on plant safety, such as cost, scheduling, the parties' corporate relationships, damages, and the proper venue for the trial.

2. Depositions

Depositions were used extensively to discover information related to issues in the litigation. The parties took depositions from approximately 150 witnesses during the course of the litigation resulting in thousands of pages of transcript. Documentary exhibits were often used as a basis for much of the questioning, and these exhibits were filed in the Court with the transcripts of the oral depositions.

The depositions taken were of three types. First, there were personal depositions. To commence a personal deposition, a party would file a notice requiring a named individual to appear on a given date and answer questions. At these depositions, the witnesses could be asked questions on any subject related to the litigation.

The second type of deposition was the so-called "Rule 201"⁷ deposition. To commence a Rule 201 deposition, a party would serve another party with a notice stating that it desired to take the other party's deposition on a particular subject (e.g., impact of regulatory change on STP). The other party would then

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The reference is to Rule 201 of the Texas Rules of Civil Procedure, which provides for such depositions.

provide a witness knowledgeable about that subject to testify. In Rule 201 depositions, the questions and testimony related only to the particular subject described in the notice of deposition.

Finally, there were depositions upon written questions. These depositions involved questions propounded in writing and answered either orally or in writing. Depositions upon written questions were used, for example, to obtain information from persons who were not capable of communicating orally, or to elicit information on a very limited and specific topic.

Only a small portion of the deposition testimony recorded during the litigation contains questions or testimony related to plant safety. As with interrogatory answers, much of the deposition testimony concerns issues that did not relate to plant safety such as cost, schedule, corporate relationships, damages, venue and other procedural issues. Many of the witnesses who gave testimony were not involved with any of the design or construction work for the plant, and did not have the background to understand technical issues related to such matters.

In addition, a number of depositions taken during the HL&P v. B&R litigation were used by the parties as if the depositions had been taken in the present case. This was done in accordance with an agreement between the parties during the early stages of the litigation and was intended to avoid unnecessary duplicative discovery. Such depositions have already been examined during the review performed of the HL&P v. B&R litigation record.

3. Requests For Production Of Documents

A third means of discovery employed by the parties was the request for production of documents. By serving a request for production of documents, one party could compel another to produce for inspection and copying all documents fitting a certain description or relating to a particular topic. Usually, the party requesting the documents would not copy all documents produced but would screen the documents to select those to be copied.

Extensive use of documents received in response to requests for production was made in depositions taken by the parties. In preparing for depositions, the attorneys on both sides of the litigation, often in consultation with knowledgeable engineers, would attempt to gather documents related to issues to be addressed in the deposition, and these were often incorporated as deposition exhibits.

D. Trial Proceeding Documents

In the trial phase, most documents will fall into two major categories: transcripts of the courtroom proceedings and exhibits introduced during those proceedings. The transcripts will contain the testimony of witnesses called by the parties as well as legal arguments by counsel for the parties and rulings by the presiding judge. Every transcript will be reviewed in its entirety although presumably only the testimony of witnesses will address facts on substantive matters in the litigation.

Exhibits introduced during the trial will be reviewed after

any screening that is determined to be necessary. There will be no screening or review of any exhibits already screened in the previous phases of the COA v. HL&P or HL&P v. B&R litigation record review. It is expected that almost all of the exhibits introduced in the trial will have been designated as Trial Exhibits previously and therefore screened earlier in the litigation record review.

It is also possible that the parties may file motions (and responses) during the trial. Most such motions will deal with procedural matters or legal issues and not the facts underlying the lawsuit. As described below (pp.31) motions are not themselves factual documents and therefore are not reviewed in this program. However, affidavits and exhibits attached to substantive motions (as opposed to procedures) may well contain factual information relevant to the review program. Therefore, in earlier phases of the review program, exhibits and affidavits attached to motions for summary judgment were screened and reviewed. Similarly, affidavits and exhibits attached to substantive motions made during the course of the trial proceeding will be reviewed in Phase III of the review program. Any motions (or responses) made orally will be reviewed in the transcripts.

IV. THE COA v. HL&P LITIGATION RECORD REVIEW PROGRAM

A. Overview

The issues and discovery process in the litigation between the City of Austin and HL&P were focused primarily on activities and events which occurred prior to 1982 because many of the plaintiffs' claims were based on issues related to Austin's decision to participate in the Project and on the problems with Brown & Root's performance as architect/engineer and constructor. Brown & Root terminated nearly all of its work on STP in late 1981. At that time, only about one-half of the design and 30% of the total construction for the plant had been completed. Accordingly, work performed prior to late 1981 has only limited relevance to the Project today. As discussed above, the STP design and construction in existence at the time B&R was terminated underwent intensive scrutiny prior to and during the transition of responsibilities from B&R to Bechtel and Ebasco. Since the STP design has been systematically reviewed and substantially modified since Bechtel assumed responsibility as architect/engineer, it is not likely that deficiencies in design or construction during B&R's term on the job have gone undetected.

A substantial record was generated during the COA v. HL&P litigation, portions of which are concerned with the technical adequacy of STP SSC. In order to assure that the materials prepared for the litigation do not disclose any safety-related deficiencies which have not already been identified by HL&P, Bechtel or Ebasco, HL&P will review such materials using a review

process similar to that used in the review of the HL&P v. B&R litigation record. The litigation record and the review process are generally described below.

B. The Litigation Record

The litigation record in COA v. HL&P consists of several types of documents which have widely differing levels of relevance to the technical aspects of STP design and construction. Each type is described below.

1) Complaints, Counterclaims and Answers

Perhaps the most basic documents in the litigation record are the plaintiff's complaints and the defendants' counterclaims and answers. These documents contain general, broadbrush descriptions of the various claims and defenses made by the parties to the litigation. They are probably best viewed as an index or broad summary of the parties' legal and factual positions. While the complaints, counterclaims and answers may contain a degree of information related to asserted deficiencies in STP SSC, the style and level of detail in which they are written does not lend itself to meaningful technical review. Furthermore, the claims made in the complaints, counterclaims and answers are reiterated in far more detail in interrogatory answers, requests for admissions and deposition transcripts filed by the parties.

2) Motions

A second group of documents in the record consists of

the various motions and responses thereto filed by the parties. The majority of these motions deal with such matters as scheduling discovery, setting a trial date, regulating the scope of the lawsuit, determining proper venue for the trial and compelling parties to produce documents or answer interrogatories or requests for admissions. In general, such motions relate to the legal theories and positions of the parties and not to the facts underlying the lawsuit. They do not contain testimony and were not filed for the purpose of providing information about facts related to issues in the lawsuit. In those rare instances where such facts are provided, the motion or response thereto almost invariably references a deposition transcript, interrogatory answer or request for admissions as the source of these facts. However, unlike in the HL&P v. B&R litigation, the parties also filed a number of motions for summary judgment and supporting briefs to persuade the court to render pretrial decisions on various substantive issues in the case. Attached to the motions for summary judgment and briefs, and the responses to these motions, were affidavits and exhibits, some of which contained factual material relating to STP design or construction. The motions themselves are required by court procedure to rely on the affidavits and exhibits for any factual assertions made in the motions themselves. Consequently, statements contained in the motions would be redundant to facts described in the attached affidavits and exhibits.

3) Court Hearing Transcripts

During the pretrial phase of the litigation, the Court held a number of hearings to consider motions filed by the parties and matters related to readying the case for trial. Most hearings were open to the public. These hearings typically concerned such matters as the schedule for discovery, setting of a trial date, narrowing the issues in contention and compelling parties to produce documents, answer interrogatories or produce witnesses.

4) Interrogatory Answers and Requests for Admissions

Interrogatories and requests for admissions were used by the parties to the litigation to discover the facts behind the various claims and defenses made by the parties. The answers to these interrogatories and requests for admissions usually provided factual information, although at varying levels of detail.

Many interrogatories and requests for admissions sought no information related to the design or construction of STP; accordingly, the answers are not relevant to this review. Other interrogatories and requests for admissions, however, sought information related to STP design or construction, and the answers therefore provided such information.

5) Deposition Transcripts

Transcripts of the deposition testimony of a large number of witnesses were made and filed with the Court. Many of the persons deposed, because of their position (e.g., accountant, financial executive, economist, attorney), had no knowledge of

the technical aspects of STP design or construction. Other depositions are not of interest because STP design and construction was outside their scope.⁸ However, the testimony of some deponents, most notably those of engineering personnel who had worked on STP, contains some relevant information on design and construction.

6) Affidavits and Exhibits

During the course of preparations for trial in the COA v. HL&P litigation, the parties designated exhibits and deposition testimony which would be offered at trial. These designations were subsequently revised and enlarged. Many of these exhibits deal with issues such as plant cost and schedule and owner duties and practices under the terms of the STP Participation Agreement, and therefore, are not related to the adequacy of STP design and construction. However, some trial exhibits are related to issues such as regulatory change or B&R engineering and construction performance, and therefore, potentially contain technical information concerning STP SSC. Similarly, affidavits and other exhibits were attached to motions for summary judgement filed by the parties. Some of these affidavits and exhibits concerned issues related to the design

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Depositions conducted under Rule 201 of the Texas Rules of Civil Procedure were limited in scope. See pp. 26-27 above.

and construction of STP.

7) Requests for Production of Documents

Parties to COA v. HL&P litigation filed requests for production of documents to compel opposing parties to produce documents on various issues for inspection and copying. Usually, a formal response to a request for production of documents would be filed with the Court. This formal response would include any objections to the request and would state the extent to which the party would comply with the request. However, the actual documents produced were not filed with the Court, but were simply made available to the party that requested them for inspection and copying. The requests for production and the formal responses thereto that were filed with the court contained no substantive information related to the adequacy of the STP design or construction.

8) Trial Transcripts

It is anticipated that the trial in COA v. HL&P will include the testimony of a number of witnesses about various subjects including the design and construction of STP and the technical adequacy of SSC at STP. The transcripts of the trial proceedings will contain the testimony of witnesses called by the parties as well as legal arguments by counsel for the parties and rulings by the presiding judge. Exhibits may also be introduced into evidence. It is expected that most of these exhibits will have been designated previously by the parties.

C. Scope of the Litigation Record Review Program

HL&P will review documents in the following categories that were generated for purposes of the litigation and were in the custody of the Court: 1) admissions; 2) deposition transcripts; 3) affidavits and exhibits designated for trial or attached to motions for summary judgement; and 4) trial transcripts and exhibits introduced at trial. These are the categories of documents most likely to contain new information or insights, if any, with respect to potential safety-related deficiencies in STP SSC. Review of the remaining litigation materials would serve no constructive purpose. For the reasons discussed above, neither the complaints nor the counterclaims, answers, or motions will be reviewed; to the extent that they advert to design or construction issues, the relevant details are disclosed in the interrogatory answers, responses to requests for admissions, deposition transcripts, and affidavits or exhibits designated for use at trial, filed with motions for summary judgement, or introduced at trial which will be reviewed. The transcripts of pretrial hearings before the court deal with the mechanics of the discovery process and procedural and other legal issues, rather than substantive technical matters, or address issues more thoroughly described in materials that will be reviewed;

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HL&P has provided an index to the complaints, counterclaims, and answers to assist the NRC and other reviewers in understanding the relationship of the materials to be reviewed to the issues in the litigation.

accordingly, transcripts of those hearings will not be reviewed. Neither the requests for production of documents nor the responses contain factual information themselves. Documents furnished in response to such requests were not prepared for purposes of the litigation and, therefore, will generally not be reviewed. Many such documents, however, formed the basis for questions posed in depositions and became exhibits to those depositions. Exhibits will be reviewed to the extent necessary to understand the depositions.

D. Methodology of the Litigation Record Review Program

Transcripts of the trial proceedings will be reviewed line-by-line as described in section D. 2 below.

The review of other documents in the litigation record will be a two-stage process. First the interrogatories, requests for admissions, deposition transcripts and affidavits, and exhibits designated for use at trial, filed with motions for summary judgement, or introduced at trial will be screened to determine which of them are likely to contain technical information on STP design, construction or QA/QC. Those which are not eliminated during the screening process will be reviewed line-by-line to identify any assertions of deficiencies in STP SSC or their associated design or quality documents. Each assertion identified will then be further examined to determine:

- 1) whether the substance of the assertion is safety-related; or

- 2) if the assertion is determined to be safety-related, whether the Project has already resolved the matter covered by the assertion or identified it for resolution; or
- 3) whether the assertion is factually erroneous.

If the assertion is determined to be safety-related, but has not been resolved or identified for resolution by the Project, and cannot be shown to be factually erroneous, a Deficiency Evaluation Form covering the substance of the assertion will be prepared and transmitted to STP's Project Engineering for evaluation in accordance with the applicable Project procedures pursuant to 10 CFR 50.72. (A flow chart showing the basic organization of the overall reportability evaluation process appears in Attachment 1).

1) Stage One: Screening

The screening process will determine which interrogatory answers, requests for admissions, deposition transcripts, affidavits and exhibits designated for trial, filed with motions for summary judgement, or introduced at trial must undergo detailed line-by-line review. A formal screening of these documents will be performed in accordance with the Criteria and Methodology guidelines appended as Attachments 2, 3, and 4, respectively.¹⁰ Screening will be performed by a team of one

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Documents examined in the review of the HL&P v. B&R
(Footnote Continued)

attorney and one engineer familiar with the STP design and issues in the COA v. HL&P litigation. Applying the appropriate Criteria and Methodology guideline to each document screened, the attorney and the engineer will determine whether it should be included for detailed review. For each such document that the attorney and the engineer determine should be excluded from detailed review, documentation of the reasoning will be provided. In addition, master lists of all screened documents included and excluded from detailed review will be generated. Another attorney/engineer team will independently verify the judgement of the initial screening team, applying the same Criteria and Methodology. When there is any reasonable doubt as to whether a document should be included for detailed review, it will remain on the list of documents to be reviewed.

2) Stage Two: Detailed Review of Selected Litigation Documents

a. Purpose of the Detailed Litigation Review

Those parts of the litigation record selected for detailed review by the screening process described in 1) above will be reviewed in their entirety to determine whether they contain information about any previously unidentified safety-related deficiencies in the design or construction of STP SSC. A "deficiency" for the purposes of this review is a defect

(Footnote Continued)

litigation record or in earlier phases of the review of the COA v. HL&P litigation record will be excluded from further review during the screening process.

that will or may impair the ability of a SSC to perform its intended function. Deficiencies may exist in the SSC itself or in its associated design documents (e.g., design drawings, calculations or specifications) or in documents establishing the quality of the SSC (e.g., QA/QC documentation).

b. The Litigation Review Team

The review of the litigation record will be conducted by a select group of experienced engineers. The review team will consist of a Team Leader, Reviewers, Discipline Specialists, Overview Specialists and various administrative and clerical employees.

The litigation review team will consist of employees or subcontractors of SLI. The Reviewers will be engineers with a minimum of three years experience in the design and construction of nuclear power plants. The Discipline Specialists must have at least seven years of experience working in their respective disciplines on nuclear plant engineering, design or construction. The Overview Specialists must have at least ten years of experience doing multi-disciplinary engineering work or overseeing engineering work in different disciplines on nuclear power plants. The Team Leader and anyone the Team Leader designates to perform tasks assigned to the Team Leader must have a minimum of ten years of technical management experience related to nuclear plant engineering, design or construction. The particular engineers selected for Phase III of the litigation review will have had previous experience in finding assertions

and dispositioning assertions.

HL&P engineers will participate in the review effort by monitoring the work as well as providing assistance to the SLI engineers in obtaining necessary information from the Project.

c. Litigation Review Procedures

A complete list of the deposition transcripts, trial transcripts interrogatory answers, responses to requests for admissions, affidavits and exhibits designated for or introduced at the trial to be reviewed will be prepared for each phase based on the results of the screening described in 1) above. If there is material on the resulting list which previously was reviewed during the HL&P v. B&R or either prior phase of the COA v. HL&P litigation record reviews, this fact will be recorded and reference made to the reports of the prior reviews. A discipline specialist will verify that documents on the list that are not assigned to Reviewers were previously reviewed during the HL&P v. B&R or the COA v. HL&P litigation record review. Material from this list which has not been previously reviewed will be assigned to individual Reviewers according to subject matter of the material and the Reviewer's education and experience.

Each Reviewer will read every line of his assigned review material. As he reads, he will make notations in the margin as to the subject matter of the material he is reading. For each assertion of deficiency in the design or construction of an STP SSC that is contained in the review material, the Reviewer will

complete an Assertion Form, including the exact location of the assertion of deficiency in the reviewed document and a description of the assertion. The criteria the Reviewers will use to identify assertions of deficiency are specified in Attachment 5. The Reviewers will also record the location of every substantive reference to NRC competence or performance. Listings of these substantive references will be provided to the NRC for their information and use.

The Assertion Forms will be collected and sorted according to discipline category for assignment to the various Discipline Specialists. The Discipline Specialist will first determine whether the assertion meets the criteria for an assertion given in Attachment 5. If he determines that the criteria are not met and an Overview Specialist concurs, they will record their finding and no further action will be taken. The Discipline Specialist will next attempt to determine if the identical assertion was identified in the previous litigation record review described above. If it was identified, he will record the specific reference demonstrating this fact on a Disposition Form, which will be verified by another Discipline Specialist.

Following this verification, no further action with respect to the assertion will be taken in this program. If it was not previously identified, or if the Discipline Specialist cannot determine if it was identified, the following steps will be taken. The Discipline Specialist may determine whether the substance of the assertion is safety-related. Assertions of

deficiency that are not safety-related need not be reviewed further by the Discipline Specialists. Specific criteria to be used by the Discipline Specialist in determining whether an item is safety-related are specified in Attachment 6.

For assertions of deficiency that the Discipline Specialist elects to treat as safety-related, or that have been determined to be safety-related, the Discipline Specialist may establish whether the Project has previously identified that item for resolution by referencing the appropriate Project documentation evidencing that fact. The types of Project documentation that may be referenced for this purpose will be identified in a letter from HL&P's Manager, Engineering and Licensing to SLI. Assertions of deficiency that are addressed in Project documentation will be considered closed for purposes of this review of the litigation record. The criteria that will be used by the Discipline Specialist to make this determination are listed in Attachment 7.

Finally, the Discipline Specialist may review any assertions of deficiency not disposed of in the manner described above to determine whether the assertion is factually erroneous. In making this determination, the Discipline Specialist will apply the decision criteria in Attachment 8.

Discipline Specialists will be encouraged to communicate with one another, as well as with the Overview Specialists and the Team Leader (and his designees) to resolve potential interdisciplinary concerns.

The Discipline Specialist will record the disposition of each assertion of deficiency on a Disposition Form.

Any assertions of deficiency that were not previously identified in the HL&P v. B&R or either prior phase of the COA v. HL&P litigation record reviews, are safety-related, are not identified for resolution in STP documentation, and are not shown to be factually erroneous will be documented on an HL&P Deficiency Evaluation Form. All Deficiency Evaluation Forms will be sent to STP Project Engineering for evaluation in accordance with existing STP procedures.

Each assertion found not to be safety-related by a Discipline Specialist will be subject to a second level of review by an Overview Specialist. The Overview Specialist may determine that the identical assertion was previously identified in the HL&P v. B&R litigation record review or the COA v. HL&P litigation record review. If he finds it was so identified, he will record the specific reference demonstrating this fact on a Disposition Form, which will be verified by another Overview Specialist. Following this verification, no further action with respect to the assertion will be taken in the program. In all other cases the following steps will be taken. Using the criteria in Attachment 9, the Overview Specialist will determine whether the assertion presents concerns arising from systems interaction or from the possibility that the substance of the assertion crosses discipline lines. Where such concerns are determined to be present, the Overview Specialist further

examines the substance of the assertion to determine whether, taking such concerns into account, an assertion found by the Discipline Specialist not to be safety-related should be treated otherwise.

The Overview Specialists will perform further analyses of each assertion they have determined to be safety-related to determine whether the substance of the assertion has already been identified by the Project or whether it is factually erroneous using the criteria in Attachments 7 and 8.

The Overview Specialists are encouraged to consult with other Overview Specialists, Discipline Specialists or the Team Leader to maintain awareness of the various types of asserted deficiencies being examined during the review process.

The Overview Specialist will record the disposition of each assertion of deficiency on a Disposition Form. Any assertions that were not previously identified in the HL&P v. B&R or the COA v. HL&P litigation record reviews and are determined to be safety-related, but are not referenced in STP documentation and are not shown to be factually erroneous will be documented on a Deficiency Evaluation Form and sent to STP Project Engineering¹¹ for evaluation in accordance with existing STP procedures.

The Litigation Review Procedures that govern work of the

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Assertions determined not to be safety-related but which nevertheless may affect plant availability and/or reliability will be referred to the STP Manager, Engineering and Licensing.

Reviewers, Discipline Specialists and Overview Specialists are summarized in the flow chart entitled "Outline of Litigation Record Review Process" presented in Attachment 10.

The work product of the Reviewers will be reviewed on a sample basis by the Team Leader or his designees for procedural compliance and substantive correctness. It is estimated that an average of 10% of the Reviewer's work product will be evaluated. In lieu of the sample evaluation, all of the dispositioning work performed by the Discipline Specialists will be verified by Overview Specialists.

The Team Leader will assign assertions to the Discipline Specialists and Overview Specialists based on the type of deficiency asserted and the background and experience of the Specialists. The Team Leader will distribute these assignments so that types of assertions that have the potential for raising interaction questions and those that may cross interdisciplinary lines are examined by personnel capable of recognizing and addressing such concerns. The Team Leader will have the authority to reassign documents or assertions to other members of the review team, to require further reviews of assertions disposed of, and to halt any ongoing review work as he deems appropriate. The Team Leader will review all Deficiency Evaluation Forms prior to their being transmitted to STP Project Engineering to ensure that they are correctly prepared and to be cognizant of the types of potential deficiencies being identified to the Project.

The Team Leader (and his designees), through the review of Assertion and Disposition Forms and meetings with the Discipline and Overview Specialists and Reviewers, will monitor the review process to assure that combinations of assertions (safety-related or not), which may suggest deficiencies in SSCs not otherwise disclosed in the review, are identified and dispositioned in accordance with litigation record review procedures. A Senior Advisory Panel (see pp. 50-51) will monitor the Team Leader's work in this regard.

During preparation of the final report, the Team Leader and the other review team members will also consider whether the dispositions of assertions arrived at during the review indicate any further, previously unrecognized deficiency in any STP SSCs.

d. Documentation

SLI will issue procedures describing the methods and criteria for conducting the COA v. HL&P litigation record review. The procedures, which are based on the HL&P v. B&R litigation record review procedures, will describe the steps the Reviewers, Discipline Specialists and Overview Specialists must follow in performing their assigned tasks. Directions for completion and use of the Assertion and Disposition Forms and Deficiency Evaluation Forms will also be included. Each procedure will be issued with a revision designation and reviewed and approved by the Team Leader at SLI, the STP Manager, Engineering and Licensing, and a representative from the STP Nuclear Assurance Department. Any subsequent revisions to the

procedures will be issued with a new revision designation to identify the currently applicable revision to the procedure. All procedures and revisions to procedures must be approved by HL&P.

It is anticipated that most, if not all, of the review of trial transcripts will be performed at the STP site. After the review is completed, the work product consisting of the annotated copy of the review document along with Assertion and Citing forms will be forwarded to SLI home office in Campbell, CA.

The forms, data and reports developed during the COA v. HL&P litigation record review will provide an auditable record of the entire review process for the use of both HL&P and NRC reviewers and auditors. The SLI Records Manager will maintain copies of each document that has been reviewed and marked by a Reviewer, along with the Assertion and Disposition Forms, and procedurally required reference documents pertaining to each disposition.

Data from the Assertion and Disposition Forms will be entered into a special computerized data base for COA v. HL&P litigation record review information. In addition, entries will be made to the data base indicating those assertions of deficiency for which the review team completed Deficiency Evaluation Forms. The data base will have the capability to generate current listings of assertions and their dispositions during the course of the litigation record review.

Monthly progress reports will be sent to HL&P. These

reports will document the progress of the review work against the projected schedule. If problems arise during the conduct of the review, they will be orally reported to the STP Manager, Engineering and Licensing and documented in the monthly progress report.

A final report documenting the results of the entire review will be generated after completion of each phase of the review. These report will contain listings of all material reviewed, listings of all assertions of deficiency and their resolutions, and the documentation on assertions of deficiency referred to STP Project Engineering for resolution.

E. Training Program

Prior to beginning any detailed review work, each member of the litigation record review team will have attended an orientation and training session. The orientation and training sessions will be conducted by the SLI Team Leader and his designees, the HL&P Manager, Engineering and Licensing, and HL&P's legal counsel for the review. Topics covered in the training sessions include a detailed review of the SLI Litigation Review Procedures, including the criteria to be applied during the course of the review work, the STP procedure for completion of Deficiency Evaluation Forms and detailed working guidelines and examples developed by the Team Leader.

A supplemental training session will be attended by all the program participants prior to start of Phase III of the

litigation review program. The supplemental training session will cover changes to the project plan and procedures unique to Phase III.

In addition to the orientation and training session, each litigation record review team member will receive a training manual containing Litigation Review Procedures, Litigation Review Guidelines and general STP information. Each litigation record review team member will keep his training manual up to date by inserting current revisions to the procedures and guidelines as they are issued. The litigation record review team members will refer to their training manuals for guidance during the course of their review work.

F. Management Oversight of Litigation Record Review/
Senior Advisory Panel

HL&P management will oversee the litigation record review program. The HL&P manager who will be primarily responsible for the litigation record review is the STP Manager, Engineering and Licensing. In addition, the Manager of the STP Nuclear Assurance Department and the Group Vice President for Nuclear will be kept informed of the progress and results of the litigation record review program.

HL&P will select a Senior Advisory Panel, each member of which will be knowledgeable about the design and construction of STP, and have over twenty years of nuclear power plant experience. The Panel will meet periodically to monitor the progress of the litigation record review and to ensure that the

procedures are followed and the objectives achieved. This will be done through discussions with Reviewers, Discipline Specialists, Overview Specialists and the Team Leader. All documentation generated during the litigation record review, including the Final Report, will be available for the Panel's oversight. During the course of the review, the Senior Advisory Panel may also provide suggestions to HL&P Management and the Team Leader whenever appropriate to ensure the effectiveness of the review in achieving its objectives. After the conclusion of each phase of the litigation record review and issuance of the Final Report, the Senior Advisory Panel will prepare a statement containing its conclusions as to whether the objectives of the review have been achieved and any other relevant observations.

G. Quality Assurance

The litigation record review program will be conducted in accordance with the SLI QA Program Manual. Therefore, the SLI Corporate QA Manager will be responsible for assuring that the litigation record review program is conducted in accordance with SLI QA Program requirements and Litigation Review Procedures. The primary method SLI QA will use to perform its work will be substantive surveillance of the litigation review work on a sample basis. The QA surveillance will be performed at the SLI home office based on the work products transmitted from the STP site and those generated at the home office. All QA surveillance will be conducted by personnel who have experience in performing

QA work and who are not responsible for any of the litigation record review work. SLI QA will assure compliance with all provisions and criteria of the Litigation Review Procedures. In addition, SLI QA surveillance will assure the consistency and completeness of the review team participants' work. Areas that will be checked in the course of the surveillance include the selection and qualification of personnel, the processing and control of program documents, and records collection and storage. Furthermore, SLI QA will conduct or arrange appropriate auditing of the litigation record review program to provide additional assurance that the surveillance effort has not failed to identify any deviations from programmatic requirements.

The STP Nuclear Assurance Department will review SLI's QA manual prior to the beginning of SLI's review. HL&P's Nuclear Assurance Department performed three audits of Phase I of the litigation record review work being done by the litigation record review team. The first audit was performed after sufficient work has taken place to be audited, yet early enough in the process to correct any deficiencies. The second audit was conducted midway in the process to assure the program was being conducted as required and the third audit was conducted just prior to the end of Phase I. The audits were structured to cover every type of litigation record review document generated and confirmed compliance with the SLI QA program and with the Litigation Review Procedures. The audits were conducted in accordance with STP Nuclear Assurance procedures, and records of the audits and

deficiencies identified are being maintained in accordance with the same procedures. The audit reports were distributed to SLI and HL&P management including HL&P Group Vice President, Nuclear, and the General Manager of the Nuclear Assurance Department. An audit was conducted at the close of Phase II work. Two audits will be conducted during Phase III. The first will be performed after sufficient work has taken place to be audited yet early enough in the process to correct any deficiencies. The second audit will be conducted just prior to the end of Phase III.

The documentation generated during the course of the litigation record review will be an auditable record available for NRC inspection and review on either a continual or periodic basis. If periodic off-site review is necessary, listings from the litigation record review data base can be generated and provided to the NRC as required. The final report of each phase of the COA v. HL&P litigation record review will also be provided to the NRC for review.

H. Manpower and Schedule

Based on the scope of the litigation record review program as described, it is anticipated that at least one SLI Reviewer/Discipline Specialist will be stationed at the STP site for the duration of the trial (Phase III). Additional Discipline and Overview Specialists and support staff will be provided at the SLI home office as required. It is expected that

approximately one man year will be required to complete Phase III of that effort. This estimate includes the work of the SLI review team members and is exclusive of the HL&P review, assistance, surveillance, and oversight activities.

Phase I of the litigation review record required approximately two and one-half man years of effort by SLI team members. The report on Phase I was submitted to the NRC on December 18, 1988. Phase II will require approximately one-half man years of effort and the final report is expected to be filed in March, 1989.

HL&P has instructed SLI to conduct the review promptly. That is, each transcript volume is to be reviewed as soon as it is available. The work of Reviewers and Specialists is scheduled to be completed within 14 days after the transcript volume is available. HL&P intends to file the final report of the Phase III Litigation Record Review with the NRC approximately 60 days after the trial record is closed.

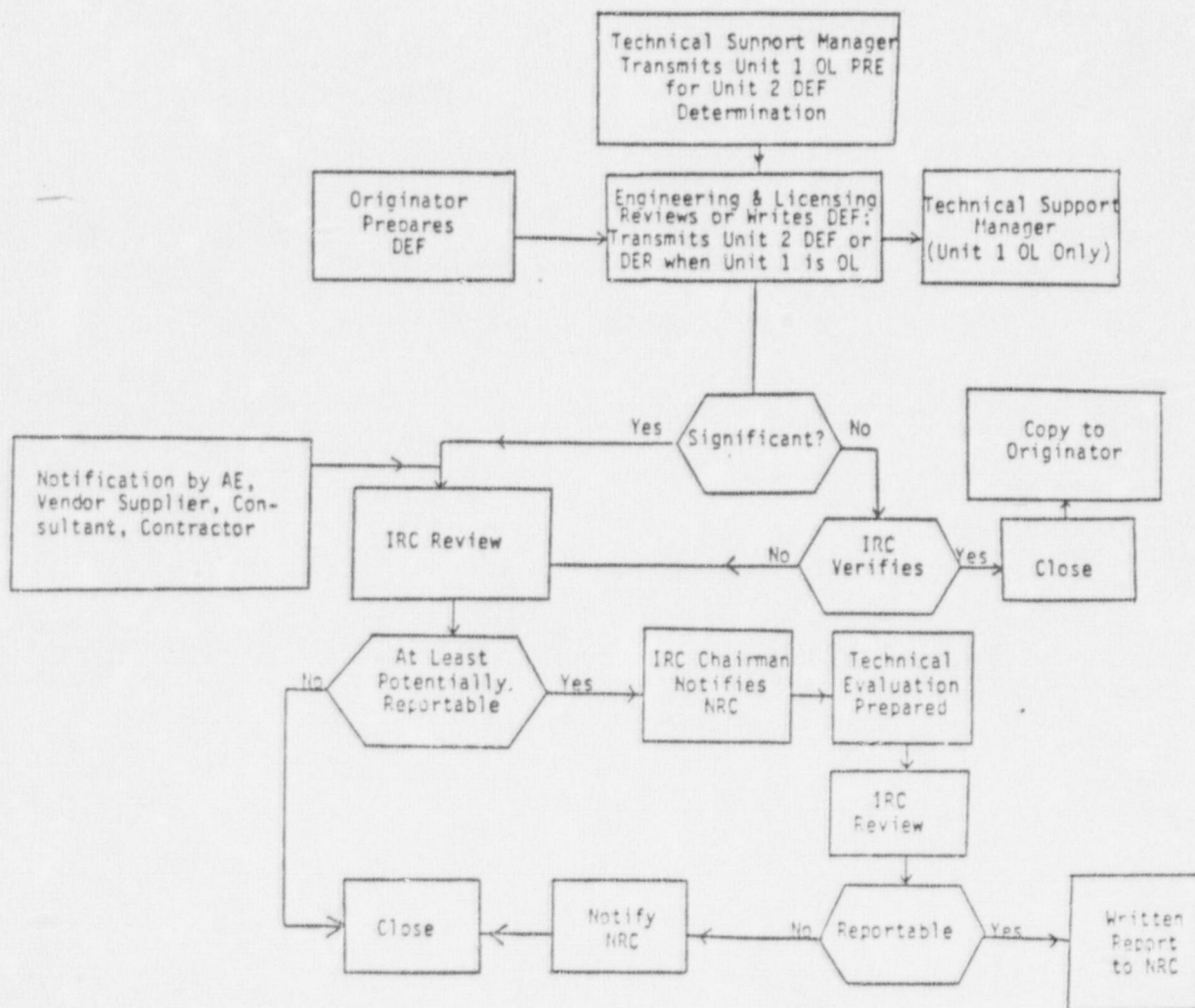
SOUTH TEXAS PROJECT ELECTRIC GENERATING STATION

INTERDEPARTMENTAL PROCEDURE

REPORTING DESIGN AND CONSTRUCTION DEFICIENCIES
TO THE NRC

NUMBER IP-1.03Q	REV. NO. 0
PAGE 25 OF 27	
EFFECTIVE DATE 03/11/87	

ATTACHMENT IP-1.03Q-07 PROCEDURE FLOW CHART (Page 1 of 1)



CRITERIA AND METHODOLOGY FOR SELECTION OF
DEPOSITION TRANSCRIPTS FOR REVIEW

This document sets forth the guidelines to be followed to ensure that all deposition transcripts possibly containing information related to the design or construction of STP systems, structures or components are reviewed.

A. Criteria

1. When there is any reasonable doubt as to whether a deposition should be reviewed, it must remain on the list of documents to be reviewed.
2. If the witness held any of the following positions on STP, the deposition must be included for review:

Engineer, Designer, Draftsman or any Engineering Management position;

Quality Assurance Inspector, Supervisor or Manager;

Quality Control Inspector, Supervisor or Manager;

Construction Manager, Laborer or Craft Worker;

Licensing Engineer, Supervisor or Manager; and

Purchasing/Procurement Personnel.
3. Depositions of witnesses in the following categories can be excluded from detailed review, unless the screener knows that any of the deposition testimony is related to the technical adequacy of STP design or construction:

United States Nuclear Regulatory Commission and Department of Justice employees and former employees;

Scheduling and project controls witnesses;

Accounting, legal (attorney), economics, and financial witnesses;

Officials of the State of Texas;

Polling, public opinion, psychology and media communications witnesses;

Lobbyists, legislative relations and government relations witnesses;

CP&L Board of Directors and Executive Officers;

HL&P Board of Directors and Executive Officers;

City of Austin officials;

City Public Service Board of San Antonio officials; and

Newspaper, magazine, radio and television station employees.

4. If the deposition is a Rule 201 deposition or a segmented personal deposition, it can be excluded from detailed review if the subject of the deposition is one of the following, or if the deponent falls within one of the categories listed in A.3. above. However, if the deponent held one of the positions listed in A.2. above, or if the screener knows that any of the deposition testimony is related to the technical adequacy of STP design or construction, the deposition shall be included for review.

Financial constraints on completion of the Project;

Personnel qualifications, turnover, and staffing levels;

Project Control (tracking progress of work on STP against published schedule);

Negotiations and Terms for the contract between the STP Owners and B&R;

Administrative matters concerning document collection and production in the litigation;

Project Cost Estimates;

Public Relations and Marketing;

Site Access for Construction;

Damage Theories and Quantification;

STP Participation Agreement between the owners; and

Nature and Effect of any tolling agreements between the STP owners or between the STP owners and B&R.

5. Rule 201 or personal segmented depositions may not be excluded from detailed review if the subject of the deposition concerns any of the following:

Any STP system, structure, or component;

QA/QC activities or documentation which relate to any STP system, structure or component; and,

Reports or reviews concerning the quality of STP engineering, construction or QA/QC of any STP system, structure or component.

B. Methodology

1. Persons conducting the screening.

The screening to identify the depositions to be reviewed will be performed by a team of one attorney and one engineer/specialist familiar with the design of STP and with issues in the litigation.

2. Steps in screening.

Each deposition will be examined under the criteria set forth in A. above. For each deposition determined not to require review, a short statement will be prepared explaining the reasons why that deposition should not be reviewed, signed by the engineer/specialist and the attorney.

The screening team will prepare a list of all depositions that will be reviewed. In addition, the screening team will prepare a list of all depositions that will not be reviewed and attach to that list the signed short statements explaining the reasons why each listed deposition will not be reviewed.

CRITERIA AND METHODOLOGY FOR THE SELECTION OF
INTERROGATORY ANSWERS AND REQUESTS FOR ADMISSIONS FOR REVIEW

This document sets forth the guidelines to be followed to ensure that all interrogatory answers and requests for admissions possibly containing information related to the design or construction of STP systems, structures, or components are reviewed. 1/

A. Criteria

1. When there is any reasonable doubt as to whether a set of interrogatories should be included, it must on the list of documents to be reviewed.
2. If a set of interrogatories requests information on the following subjects, that set of interrogatories must be included for review:

Engineering for STP, including engineering analysis and the design of any systems, structures, or components for the project;

Construction work at STP;

QA or QC activities or programs for STP; and

Reviews or reports on engineering or construction for STP.

3. If a set of interrogatories requests information only about the following subjects, the set of interrogatories may be excluded from review unless the reviewers are aware that the answers or set of answers contains information relating to the design or construction of STP systems, structures, or components.

2/

Accounting, economics, and the financial ability of the owners to complete the project;

Personnel qualification, turnover, and staffing levels;

1/ For convenience, the word "interrogatory" as used in this criteria and methodology applies to both interrogatories and requests for admissions.

2/ If an interrogatory or set of interrogatories request information on those topics and on any of the topics listed in 2 above, the answers corresponding to those interrogatories must be reviewed.

Project schedule and the percentage of engineering or construction work completed;

Bechtel's, Ebasco's and B&R's history and experience as an architect/engineer outside its performance on STP; and,

Owners' selection of B&R as architect/engineer;

HL&P's or the other owners' experience in design and construction of facilities other than STP;

STP Participation Agreement between owners and associated legal responsibilities;

Identification or quantification of damages or statements relating to damages (without requesting information concerning the underlying bases for those damages);

Identification or genuineness of documents;

The fact that a meeting took place or the number of persons attending the meetings; and

Project cost estimates.

B. Methodology

1. Persons conducting the screening.

The initial screening to determine whether interrogatory answers should be reviewed will be performed by a team of one attorney and one engineer/specialist familiar with the design of STP and with issues in the litigation.

2. Steps in screening.

Each set of interrogatories will be examined under the Criteria set forth in A. If any interrogatory within a set is determined to be reviewable, that set will be included for review. For each entire set of answers determined not to be reviewable, a short statement will be prepared explaining the reasons why each interrogatory within that set should not be reviewed, and this statement will be signed by the engineer/specialist and the attorney. For questions containing multiple subparts, if any subpart merits review, the entire answer to the question (and therefore the entire set) must be included for review.

The screening team will prepare a list of all sets of interrogatories that will be reviewed. In addition, the screening team will prepare a list of sets of interrogatories that will not be reviewed and attach to

that list signed short statements explaining the reason why each interrogatory within those sets will not be reviewed.

CRITERIA AND METHODOLOGY FOR SELECTION OF
AFFIDAVITS AND EXHIBITS FOR REVIEW

This document sets forth the guidelines to be followed to ensure that all affidavits and exhibits filed with motions for summary judgement and exhibits designated for trial (collectively referred to as "exhibits") possibly containing information related to the design or construction of STP systems, structures, or components are reviewed.

A. Criteria

1. When there is any reasonable doubt as to whether an exhibit should be included for review, it must remain on the list of documents to be reviewed. Exhibits that are very large and consist of multiple documents or sections may be split into individual documents for screening and review purposes.
2. Exhibits that are depositions, interrogatories, or requests for admission that are part of the COA v. HL&P record are being reviewed under the screening criteria for those documents and will not be separately reviewed under this set of criteria. In addition, the following categories of exhibits will be excluded from review:
 - o Project documents already maintained in the STP Records Management System, annual public financial reports of the STP co-owners, or documents provided to all of the STP Owners during the regular course of business, or recording meetings between joint committees of the STP owners;
 - o Documents already screened in the HL&P v. B&R Litigation Record Review;
 - o Documents prepared by, transmitted to, or maintained in the files of the NRC or other U.S. Government agencies and minutes, or reports of meetings at which the NRC was in attendance;
 - o PUC case materials, including prefiled and oral testimony except for the prefiled testimony of expert witnesses in Docket 6668 where those witnesses have also been designated as witnesses in the COA v. HL&P litigation; and,
 - o Newspaper or magazine articles, press releases, or radio or television broadcasts.
3. If the document addresses one of the following topics, and is not one of the class of documents described in Item 2 above, the document must be included for review:

The quality of engineering for STP, including engineering analysis and the design of any systems, structures, or components for STP;

The quality of construction work at STP;

The quality of QA or QC activities or programs for STP;

Reviews or reports on engineering or construction for STP.

4. If an exhibit contains information only about the following subjects, or is of the type as listed below, it may be excluded from review unless the reviewers are aware that it contains technical information relating to the quality of design or construction of STP systems, structures, or components. 1/

Accounting, economics, cost estimates, project controls, scheduling, and damages quantification;

Lobbying, government relations or legislative relations;

Personnel qualifications, turnover, organization, and staffing;

Public opinion, polling, or media communications;

Negotiations and representations between the STP Owners or between the STP Owners and B&R;

General nuclear industry information not specifically related to the STP;

Newspaper articles, periodicals and advertisements;

Documents prepared by or submitted to the Securities and Exchange Commission;

Radio/television presentations;

Commercial documents such as contracts, proposals, purchase orders, receipts, or other business agreements.

Documents prepared by or submitted to the U.S. Department of Justice;

1/ If an exhibit contains information on these topics and on any of the topics listed in A.3. above, the exhibit must be reviewed, unless it is among the categories of documents listed in Item 2 above.

Court hearing transcripts, court orders, legal pleadings, and other documents presenting legal arguments, or affidavits of lawyers, paralegals, or legal secretaries;

Documents prepared prior to January 1, 1973;

Published decisions of courts or administrative tribunals;

Documents prepared for purposes of the Texas Public Utility Commission proceeding relating to STP which have been made publicly available through filing in that proceeding (except for documents prepared by persons designated as witnesses in the COA v. HL&P litigation);

Ordinances, public reports, or official notices or statements issued by the City of Austin, Texas.

B. Methodology

1. Persons conducting the screening.

The screening to determine whether the exhibit should be reviewed will be performed by a team of one lawyer and one engineer/specialist familiar with the design of STP and with issues in the litigation.

2. Steps in screening.

Each exhibit will be examined under the criteria set forth in A. All exhibits that require review will be marked as such and recorded. For each exhibit determined not to require review, a short statement explaining why no review is required will be prepared and signed by the engineer/specialist and the attorney.

The screening team will prepare a list of all exhibits that will be reviewed. In addition, the screening team will prepare a list of all exhibits that will not be reviewed and attach to that list the signed short statements explaining the reasons why each listed exhibit will not be reviewed.

CRITERIA FOR IDENTIFICATION OF ASSERTIONS OF DEFICIENCY

In order to be recorded, an assertion must satisfy each of the following criteria:

1. The assertion must pertain to at least one of the following or to their associated design or quality control documents:
 - 1.1 STP systems, structures, or components (SSC).
 - 1.2 Classes of STP SSC (such as valves, reinforced concrete walls, electric systems).
 - 1.3 Processes relating to specific STP SSCs (such as welding, coatings).
 - 1.4 The overall STP site (data or studies on meteorology, seismology, demographics, etc.).
2. The assertion must either:
 - (a) describe a deficiency. A deficiency is a defect which will or may impair the ability of an SSC to perform its intended function; or
 - (b) IF the assertion does not include any specific deficiency, as defined under (a), it must pertain to documents providing objective evidence of the quality of design or construction for specific SSCs at STP. (Absence of calculations for system X, lack of verification documents for component Y, incomplete QC records for weld N, etc.)
3. The assertion must satisfy one of the following criteria:
 - 3.1 It was made by a witness in a deposition.
 - 3.2 It was confirmed by a witness accepting a statement by a lawyer.
 - 3.3 It was included in an an affidavit or exhibit designated for use at trial or filed with a motion for summary judgement.
 - 3.4 It was made by a party in an interrogatory answer or response to requests for admissions.

CRITERIA FOR SAFETY DETERMINATION

1. An assertion of deficiency that involves system(s), structure(s) or component(s) which have been classified by the South Texas Project as one of the following is a safety-related assertion:
 - Safety Class 1
 - Safety Class 2
 - Safety Class 3
 - Class 1E
 - Seismic Category 1
2. An assertion of deficiency that involves system(s), structure(s) or component(s) that are listed in the STP FSAR Section 3.2 or in the Bechtel Energy Corporation Design Criteria for the South Texas Project as safety-related items is a safety-related assertion.
3. An assertion of deficiency that involves a system(s), structure(s) or component(s) with a Total Plant Numbering System (TPNS) number that designates a safety-related item (1, 2, 3, 4 or 5) is a safety-related assertion.

CRITERIA FOR DEMONSTRATING PROJECT IDENTIFICATION

1. The STP documents cited by the Specialist as evidence of prior identification of the substance of an assertion by the Project must completely cover the specific assertion of deficiency.
2. The STP documents cited by the Specialist must show:
 - a. That the deficiency asserted has been corrected;
 - b. That the deficiency asserted is in the process of being corrected; or
 - c. That the deficiency asserted has been identified for resolution.
3. Documents cited as reflecting corrective action or identification for resolution of the asserted deficiency must appear on the list of documents approved for reference on Disposition Forms.
4. The reasons why Project documentation shows adequate identification or corrective action must be clearly stated by the Specialist.

CRITERIA FOR DETERMINATION ON FACTUAL BASIS

1. Project documentation must provide positive evidence showing the assertion to be factually erroneous. Unless Project documentation provides such positive evidence, the Specialist may not classify the assertion as factually erroneous.
2. The referenced Project documentation must describe the system, structure, or component as designed or constructed at or after the time the deficiency is asserted to have existed.
3. The reasons why the documentation shows the assertion to be factually erroneous must be clearly articulated by the Specialist.

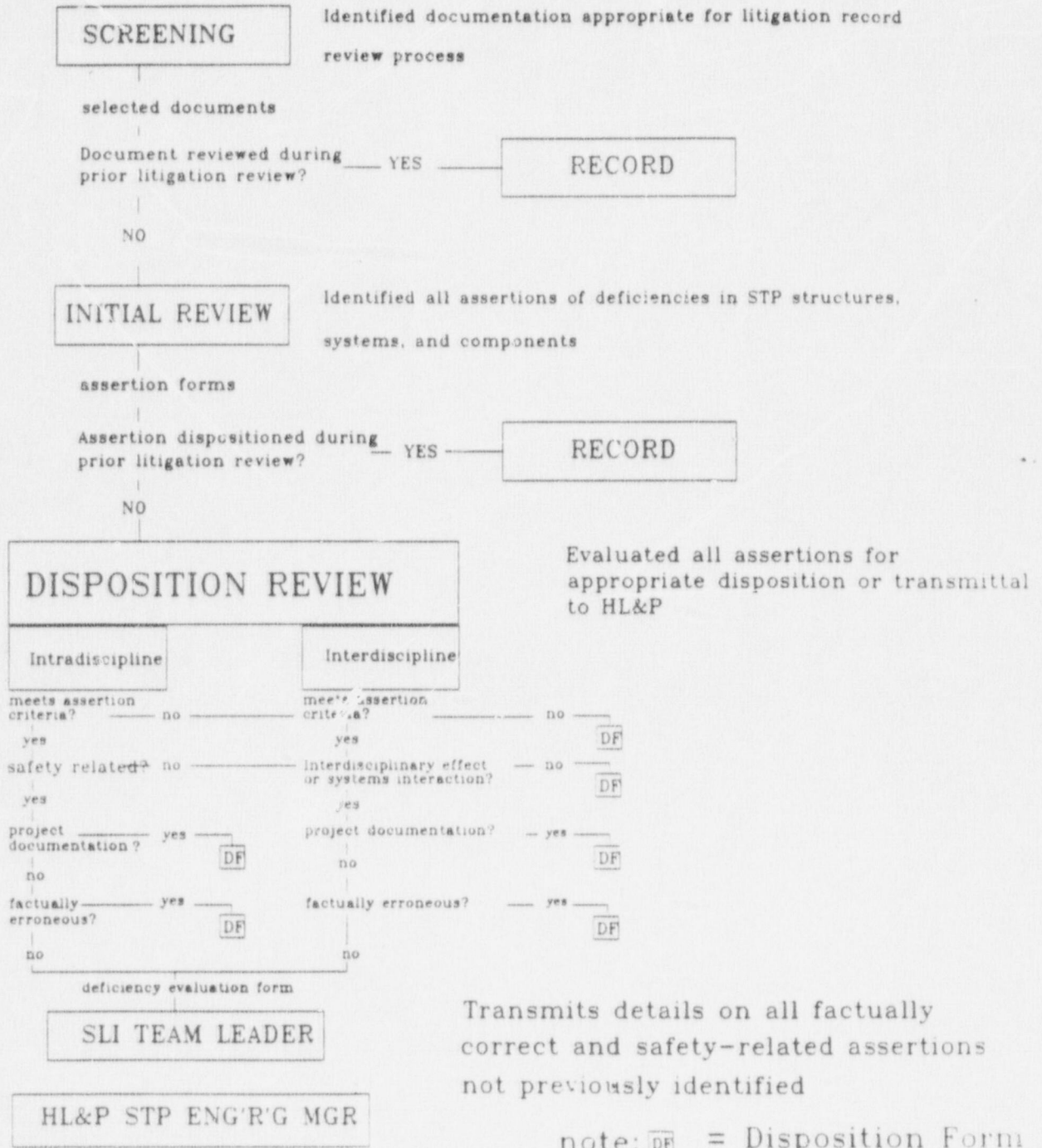
CRITERIA FOR INTERDISCIPLINARY and
SYSTEMS INTERACTION DETERMINATION

1. An assertion of deficiency that involves disciplines other than that of the Discipline Specialist who initially determined that the substance of the assertion is not safety-related must be reviewed by the Overview Specialist to determine whether it is safety-related.
2. An assertion of deficiency that involves system(s), structure(s) or component(s) (SSC) other than those considered by the Discipline Specialist in his initial disposition of the assertion as not safety-related must be reviewed by the Overview Specialist to determine whether it is safety-related.
3. If the SSC considered by the Discipline Specialist shares a component or a process or has physical supporting connections to another SSC, the assertion must be reviewed by the Overview Specialist to determine whether it is safety-related.
4. If the functional or physical failure of the SSC considered by the Discipline Specialist in dispositioning as assertion could propagate to other SSCs the assertion must be reviewed by the Overview Specialist to determine whether it is safety-related.

ATTACHMENT 10

OUTLINE OF LITIGATION RECORD REVIEW PROCESS

- Interrogatory answers, responses to requests for admissions
- Deposition transcripts
- Affidavits
- Exhibits designated for trial or filed with motions for summary judgment



LITIGATION RECORD SCREENING
CHECKING PROCESS

In order to assure that all deposition transcripts, interrogatory answers, responses to requests for admissions, and exhibits designated for trial or affidavits or exhibits filed with motions for summary judgment (exhibits) required to be reviewed by S. Levy, Inc. (SLI) are identified in the screening process, the following checking procedure will be employed:

- A. All deposition transcripts, interrogatories, requests for admissions, and exhibits that were excluded from SLI review by an attorney/engineer screening team will be examined a second time by a checking team consisting of a different attorney and engineer than those that did the screening. Both the attorney and the engineer performing the checking procedure will be generally familiar with the STP design and the issues in the litigation between HL&P and the City of Austin.
- B. The Checking team will examine each deposition transcript, interrogatory, request for admissions, and exhibit excluded from SLI review, along with the short statement explaining the reason for exclusion, to determine whether the decision to exclude the deposition transcript, interrogatory, request for admissions, or exhibit from further review was proper. In making this determination, the Checking team will apply, as appropriate for the different type of record documents, the following screening criteria:

Criteria and Methodology for Selection of Deposition Transcripts for Review

Criteria and Methodology for Selection of Interrogatory Answers and Requests for Admissions for Review

Criteria and Methodology for Selection of Affidavits and Exhibits for Review

If the Checking team determines that the decision to exclude the deposition transcript, interrogatory, request for admissions, or exhibit from further review was proper, and that the short statement giving the reasons for exclusion adequately explains the decision to exclude the document from SLI review, both Checking team members shall sign the sheet upon which the short statement appears.

If the Checking team determines that the decision to exclude the deposition transcript, interrogatory answer, request for admissions, or exhibit was proper, but that the short statement does not adequately explain the reasons for such exclusion, the Checking team members shall revise the

short statement and initial the revised portion of the statement prior to signing the short statement form.

If the Checking team determines that the deposition transcript, interrogatory, request for admissions, or exhibit should not have been excluded from review, the Checking team shall mark an "X" through the short statement purporting to explain the exclusion of that document, and shall revise the original short statement form to reflect that deposition transcript, interrogatory, request for admissions, or exhibit must be reviewed by SLI.

ISSUES INDEX TO PLEADINGS

I. CLAIMS OF CITY OF AUSTIN

A. AGAINST HL&P

1. BREACH OF CONTRACT

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12/6/85

Plaintiff's Second Amended Original Petition,
2/14/86

Plaintiff's Third Amended Original Petition,
12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition,
7/16/87

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AND RETENTION OF BROWN AND ROOT

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Plaintiff's Second Amended Original Petition,
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c. BREACH OF DUTIES RE QA/QC, PROJECT MANAGEMENT

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Plaintiff's Second Amended Original Petition,
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7/16/87

e. BREACH OF DUTIES AS AN AGENT OF CITY OF AUSTIN

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition,
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Plaintiff's Second Amended Original Petition,
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2/14/86

Plaintiff's Fifth Amended Original Petition, 7/16/87

4. FRAUD UNDER TEXAS COMMON LAW AND UNDER TEXAS BUS.
& COMM. CODE ART. 27.01

Plaintiff's First Amended Original Petition, 12/6/85

Plaintiff's Second Amended Original Petition,
2/14/86

Plaintiff's Third Amended Original Petition, 12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition, 7/16/87

5. MUTUAL MISTAKE

Plaintiff's Original Petition, 1/6/83

Plaintiff's First Amended Original Petition, 12/6/85

Plaintiff's Second Amended Original Petition,
2/14/86

Plaintiff's Third Amended Original Petition, 12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition, 7/16/87

6. UNILATERAL MISTAKE

Plaintiff's Third Amended Original Petition, 12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition, 7/16/87

7. VIOLATION OF DECEPTIVE TRADE PRACTICES ACT

Plaintiff's First Amended Original Petition, 12/6/85

Plaintiff's Second Amended Original Petition,
2/14/86

Plaintiff's Third Amended Original Petition, 12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition, 7/16/87

8. ILLEGALITY OF SECTIONS OF THE PARTICIPATION AGREEMENT
WHICH LIMIT LIABILITY FOR TORTIOUS ACTIVITY

Plaintiff's First Amended Original Petition, 12/6/85

B. AGAINST HOUSTON INDUSTRIES, INC.

1. INDUCING, INCITING, ABETTING AND PARTICIPATING
IN CONDUCT, MISCONDUCT, ACTS OR OMISSIONS TO ACT
OF HL&P

Plaintiff's Original Petition, 1/6/83

Plaintiff's First Amended Original Petition, 12/6/85

Plaintiff's Second Amended Original Petition,
2/14/86

Plaintiff's Third Amended Original Petition, 12/10/86

Plaintiff's Fourth Amended Original Petition,
5/26/87

Plaintiff's Fifth Amended Original Petition, 7/16/87

II. DEFENSES AND COUNTERCLAIMS OF HL&P AND HOUSTON INDUSTRIES,
INC.

A. HL&P

1. DEFENSES

a. ASSUMPTION OF RISK

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and

Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

b. CONTRIBUTORY NEGLIGENCE

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

c. RATIFICATION, ESTOPPEL, LACHES AND WAIVER

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

d. ELECTION OF REMEDIES

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

e. ILLEGALITY

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

f. STATUTE OF LIMITATIONS

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin, .
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

g. STATUTE OF FRAUDS

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central
and South West Corporation, and the City
of San Antonio, and Original Petition for
Declaratory Relief, 1/8/88

h. SUBSTANTIAL PERFORMANCE

HL&P's First Amended Answer and Counterclaim,
10/2/86

HL&P's Second Amended Answer, Exceptions
and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim,
6/29/87

HL&P's Fourth Amended Original Answer and
Counterclaim Against the City of Austin,
Original Third Party Petition Against Central
Power & Light Company Central and Southwest
Corporation, and the City of San Antonio,
and Original Petition for Declaratory Relief,
1/7/88

HL&P's Fifth Amended Original Answer and
Counterclaim Against the City of Austin,
and First Amended Original Third Party Petition
Against Central Power & Light Company Central

and South West Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/8/88

1. PLAIN LANGUAGE OF PARTICIPATION AGREEMENT INDICATES INTENT OF STP OWNERS TO ELIMINATE REMEDIES GROUNDED ON TORTIOUS CONDUCT

HL&P's First Amended Answer and Counterclaim, 10/2/86

HL&P's Second Amended Answer, Exceptions and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim, 6/29/87

HL&P's Fourth Amended Original Answer and Counterclaim Against the City of Austin, Original Third Party Petition Against Central Power & Light Company Central and Southwest Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim Against the City of Austin, and First Amended Original Third Party Petition Against Central Power & Light Company Central and South West Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/8/88

2. COUNTERCLAIMS

- a. INDEMNITY AGAINST CITY OF AUSTIN UNDER SECTION 21.3 OF THE PARTICIPATION AGREEMENT

HL&P's First Amended Answer and Counterclaim, 10/2/86

HL&P's Second Amended Answer, Exceptions and Counterclaim, 4/27/87

HL&P's Third Amended Answer and Counterclaim, 6/29/87

HL&P's Fourth Amended Original Answer and Counterclaim Against the City of Austin, Original Third Party Petition Against Central

Power & Light Company Central and Southwest Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim Against the City of Austin, and First Amended Original Third Party Petition Against Central Power & Light Company Central and South West Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/8/88

- b. FOR A DECLARATORY JUDGMENT THAT HL&P HAS NO LIABILITY FOR THE MATTERS REFERRED TO IN PLAINTIFF'S FIFTH AMENDED ORIGINAL PETITION

HL&P's Fourth Amended Original Answer and Counterclaim Against the City of Austin, Original Third Party Petition Against Central Power & Light Company Central and Southwest Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim Against the City of Austin, and First Amended Original Third Party Petition Against Central Power & Light Company Central and South West Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/8/88

B. HOUSTON INDUSTRIES, INC.

1. DEFENSES

a. ASSUMPTION OF RISK

First Amended Original Answer of Defendant Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions of Defendant Houston Industries, Inc., 4/28/87

b. CONTRIBUTORY NEGLIGENCE

First Amended Original Answer of Defendant

Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

c. RATIFICATION, ESTOPPEL, LACHES AND WAIVER

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

d. ELECTION OF REMEDIES

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

e. ILLEGALITY

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

f. STATUTE OF LIMITATIONS

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

g. STATUTE OF FRAUDS

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

h. SUBSTANTIAL PERFORMANCE

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

- i. PLAIN LANGUAGE OF PARTICIPATION AGREEMENT
INDICATES INTENT OF STP OWNERS TO ELIMINATE
REMEDIES GROUNDED ON TORTIOUS CONDUCT

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

- j. HOUSTON INDUSTRIES, INC. HAS NO LEGAL RESPONSIBILITY
FOR CONDUCT, ACTS OR OMISSIONS OF HL&P

First Amended Original Answer of Defendant
Houston Industries, Inc., 10/2/86

Second Amended Original Answer and Exceptions
of Defendant Houston Industries, Inc., 4/28/87

III. RESPONSES OF CITY OF AUSTIN TO COUNTERCLAIMS OF HL&P

A. AFFIRMATIVE DEFENSES

1. STATUTE OF LIMITATIONS AND/OR LACHES

City of Austin's First Original Answer and Statement
of Affirmative Defenses with Respect to HL&P's
Counterclaim, 10/29/86

2. FAILURE OF CONSIDERATION

City of Austin's First Original Answer and Statement
of Affirmative Defenses with Respect to HL&P's
Counterclaim, 10/29/86

3. FRAUD UNDER TEXAS COMMON LAW AND UNDER TEXAS BUS.
& COMM. CODE ART. 27.01

City of Austin's First Original Answer and Statement
of Affirmative Defenses with Respect to HL&P's
Counterclaim, 10/29/86

4. FAILURE TO MITIGATE DAMAGES

City of Austin's First Original Answer and Statement
of Affirmative Defenses with Respect to HL&P's
Counterclaim, 10/29/86

5. ILLEGALITY

City of Austin's First Original Answer and Statement
of Affirmative Defenses with Respect to HL&P's
Counterclaim, 10/29/86

IV. THIRD PARTY CLAIMS OF HL&P

A. AGAINST CENTRAL AND SOUTH WEST CORPORATION, CENTRAL
POWER & LIGHT CO. AND THE CITY OF SAN ANTONIO

1. FOR CONTRIBUTION

HL&P's Fourth Amended Original Answer and Counterclaim
Against the City of Austin, Original Third Party
Petition Against Central Power & Light Company
Central and Southwest Corporation, and the City
of San Antonio, and Original Petition for Declaratory
Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim
Against the City of Austin, and First Amended
Original Third Party Petition Against Central
Power & Light Company Central and South West Corporation,
and the City of San Antonio, and Original Petition
for Declaratory Relief, 1/8/88

2. FOR A DECLARATORY JUDGMENT THAT HL&P HAS NO LIABILITY
FOR THE MATTERS REFERED TO IN PLAINTIFF'S FIFTH
AMENDED ORIGINAL PETITION

HL&P's Fourth Amended Original Answer and Counterclaim
Against the City of Austin, Original Third Party
Petition Against Central Power & Light Company
Central and Southwest Corporation, and the City
of San Antonio, and Original Petition for Declaratory
Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim
Against the City of Austin, and First Amended
Original Third Party Petition Against Central
Power & Light Company Central and South West Corporation,
and the City of San Antonio, and Original Petition
for Declaratory Relief, 1/8/88

B. AGAINST CENTRAL POWER & LIGHT AND THE CITY OF SAN ANTONIO

1. FOR INDEMNITY

HL&P's Fourth Amended Original Answer and Counterclaim

Against the City of Austin, Original Third Party Petition Against Central Power & Light Company Central and Southwest Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/7/88

HL&P's Fifth Amended Original Answer and Counterclaim Against the City of Austin, and First Amended Original Third Party Petition Against Central Power & Light Company Central and South West Corporation, and the City of San Antonio, and Original Petition for Declaratory Relief, 1/8/88

V. RESPONSES OF CENTRAL POWER & LIGHT AND THE CITY OF SAN ANTONIO TO THIRD PARTY CLAIMS OF HL&P

A. CENTRAL POWER & LIGHT CO.

1. COUNTERCLAIM AGAINST HL&P

- a. FOR A DECLARATORY JUDGMENT THAT HL&P IS LIABLE TO CPL FOR ACTION AND/OR INACTIONS AND FOR ITS BREACH OF ITS DUTIES AND OBLIGATIONS

Central Power and Light Company's Original Plea in Abatement, Application for Order Compelling Arbitration and for Ancillary Relief, and Answer and Counterclaim Subject Thereto, 3/3/88

B. CITY OF SAN ANTONIO

1. COUNTERCLAIM AGAINST HL&P

- a. FOR A DECLARATORY JUDGMENT THAT HL&P IS LIABLE TO THE CITY OF SAN ANTONIO FOR ACTION OR INACTIONS AND FOR ITS BREACH OF ITS DUTIES AND OBLIGATIONS

Original Plea in Abatement, Application for Order Compelling Arbitration and for Ancillary Relief, and Answer and Counterclaim Subject Thereto of City of San Antonio (Acting by and through City Public Service Board of San Antonio), 3/3/88

VI. RESPONSE OF HL&P TO COUNTERCLAIMS OF CPL AND SAN ANTONIO

A. AFFIRMATIVE DEFENSES

1. ASSUMPTION OF RISK, CONTRIBUTORY NEGLIGENCE, ESTOPPEL, LACHES, RES JUDICATA, STATUTE OF LIMITATIONS AND WAIVER

Response and Original Answer of HL&P to Original Pleas in Abatement, Application for Orders Compelling Arbitration, and Answer and Counterclaim Subject Thereto of City of San Antonio, and Central Power and Light Company and Joint Supplemental Application of the City of San Antonio and Central Power and Light for Order Compelling Arbitration (Subject to Their Pleas in Abatement) and HL&P's Request for Injunctive Relief, 4/27/88

COA v. HL&P CHRONOLOGICAL LIST OF PLEADINGS

	<u>Title</u>	<u>Date</u>
I.	<u>Petitions</u>	
A.	Plaintiff's Original Petition	01/06/83
B.	COA's First Amended Original Petition	12/06/85
C.	COA's Second Amended Original Petition	02/14/86
	1. HLP's First Amended Answer and Counterclaim	10/02/86
	2. First Amended Answer of HII	10/02/86
	3. COA's First Original Answer and Statement of Affirmative Defenses with Respect to HLP's Counterclaim	10/29/86
D.	Plaintiff's Third Amended Original Petition	12/10/86
	1. HLP's Second Amended Answer, Exceptions and Counterclaim	04/27/87
	2. Second Amended Answer and Exceptions of Defendant Houston Industries, Inc.	04/28/87
E.	Plaintiff's Fourth Amended Original Petition	05/26/87
	1. HLP's Third Amended Answer and Counterclaim	06/29/87
F.	Plaintiff's Fifth Amended Original Petition	07/16/87
	1. HLP's Fourth Amended Original Answer and Counterclaim Against the COA, Original Third Party Petition Against CPL, CSW and COSA, and Original Petition for Declaratory Relief	01/07/88
	2. HLP's Fifth Amended Original Answer and Counterclaim Against COA, First Amended Original Third Party Petition Against CPL, CSW and COSA	01/08/88

	<u>Title</u>	<u>Date</u>
a.	HLP's Exception to Plaintiff's Fifth Amended Original Petition	02/03/88
b.	CPL Original Plea in Abatement, Application for Order Compelling Arbitration and for Ancillary Relief, and Answer and Counter-claim Subject Thereto	03/03/88
c.	Original Plea in Abatement, Application for Order Compelling Arbitration and for Ancillary Relief, and Answer and Counter-claim Subject Thereto of City of S.A.	03/03/88
d.	Response and Original Answer to HLP to Pleas in Abatement and Application for Orders Compelling Arbitration filed by CP&L and the City of San Antonio and Brief in Support	04/27/88