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July 2, 1985

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Frederick J. Shon
Administrative Judge
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Houston Lighting & Power Co., et al.
South Texas Project, Units 1 & 2
Docket Nos. 50-498 OL, 50-~~400~~ OL
499

Dear Members of the Board:

Pursuant to the Board's June 18, 1985 Memorandum and Order (Memorandum and Order), enclosed are documents, including drafts, generated between April 1, 1981 and September 24, 1981 concerning "(1) the decisions to seek replacement of and, thereafter, to replace B&R including the dates when those decisions were made; [and] (2) the reportability of either of those decisions to NRC (including this Board)" and (3) documents generated between April 1, 1981 and June 29, 1981 concerning "discussion (if any) of the discharge or potential discharge of B&R between Mr. George Oprea and other corporate officers or officials." Memorandum and Order at 34.

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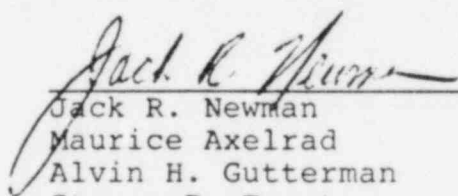
Charles Bechhoefer, Esq.
Dr. James C. Lamb, III
Frederick J. Shon
July 2, 1985
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Except as described below, all documents which have been identified as within the scope of the Board's Memorandum and Order have been produced. A brief description of each document being produced, including its author, recipient, date and general subject matter has been provided as Attachment A. Documents previously served on the Board and the parties have, of course, been omitted. We have not construed the Board's order to include the requests for proposals or related correspondence from July-September, 1981, which related solely to the selection among the various companies considered as possible replacements for Brown & Root as architect/engineer and construction manager.

In accordance with the Board's instructions (Memorandum and Order at 34), Attachment B lists the sender, recipient, date and general subject matter of documents which are within the scope of the Board's Memorandum and Order, but which are being withheld from production on the basis of attorney-client privilege and/or work product protection.

Finally, Applicants have been unable to ascertain the precise nature and origin of every document identified. Where Applicants are uncertain regarding the author, recipient, date or general nature of a document, we have so indicated.

Respectfully submitted,



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Dated: July 2, 1985

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

CC: Service List

DOCUMENTS PRODUCED IN RESPONSE TO THE ATOMIC
SAFETY AND LICENSING BOARD'S JUNE 18, 1985
MEMORANDUM AND ORDER

<u>DOCUMENT</u>	<u>DATE</u>
1. Notes of 4/27/81 STP Management Committee meeting by C.G. Thrash; excerpts possibly responsive to the Board's request.	4/27/81
2. Memorandum from D.D. Jordan to South Texas Project Nuclear File re meeting of 6/3/81 with Tom Feehan.	6/3/81
3. Notes of 7/23/81 STP Management Committee meeting by C.G. Thrash; excerpts possibly responsive to the Board's request.	7/23/81
4. Letter from J.R. Newman to G.W. Oprea enclosing 9/8/81 draft of "South Texas Project Report on Contractor Replacement"; enclosure previously provided to the Board as an attachment to Applicants' Response to CCANP Motion to Reopen Phase I Record, filed 4/25/81.	9/8/81
5. Handwritten note from G.W. Oprea, Jr. to D.D. Jordan transmitting draft of "South Texas Project Report on Contractor Replacement."	9/11/81
6. Handwritten notes (author unknown) of 9/12/81 and 9/15/81 Houston meetings re STP.	9/12/81 9/15/81
7. Handwritten notes of G.W. Oprea re replacement of B&R as A/E for STP.	9/12/81 9/15/81
8. Handwritten notes by G.C. Pokorny (City of Austin) of 9/12/81 and 9/15/81 Houston meetings re STP.	9/12/81 9/15/81
9. Meeting Minutes of Special Meeting of HL&P Board of Directors (excerpts related to STP).	9/14/81
10. Handwritten notes, probably by G.W. Oprea, re 9/15/81 meeting of STP CEOs.	9/15/81
11. Handwritten notes by D.D. Jordan re meeting with T.J. Feehan.	9/15/81

12. Memorandum from D.D. Jordan to South Texas Project File re meeting between project partners and with T.J. Feehan. 9/15/81
13. Letter from T.J. Feehan to D.D. Jordan re meeting of 9/15/81 9/16/81
14. Handwritten notes by D.D. Jordan, re "Jack Harbin"; probably prepared for meeting between Jordan and Harbin on 9/18/81. 9/18/81
15. Handwrittren notes of D.G. Barker re, inter alia, termination of B&R. between 9/8/81 and 9/21/81
16. Final and Draft Minutes of 9/12/81 (morning) HL&P meeting conducted by D.D. Jordan re replacement of A/E and Construction Manager. (privileged portions deleted). 9/22/81
17. Final and Draft Minutes of 9/12/81 (afternoon) meeting of STP participants re replacement of A/E and Construction Manager. 9/22/81
18. Final and Draft Minutes of 9/15/81 meeting of CEOs and Management Committee principals re replacement of B&R. 9/22/81
19. Memorandum from K.M. Broom to W.M. Rice re telephone call to G.W. Oprea on 9/22/81 re alternatives to termination of B&R as A/E and Construction Manager. 9/22/81
20. Draft HL&P policy statement re Bechtel takeover of STP Engineering. 9/23/81
21. Letter from T.J. Feehan to D.D. Jordan re comments on proposed press release concerning reallocation of responsibilities at STP. 9/24/81
22. Western Union Telex/TWC copy of statement by D. Jordan re allocation of responsibilities at STP. 9/24/81
23. HL&P Management Bulletin re Jordan statement issued 9/24/81 concerning reallocation of responsibilities to Bechtel. 9/24/81
24. Proposed press release from B&R re change in B&R's role at STP, with marginal note indicating receipt of proposed release by D.D. Jordan on 9/24/81. Undated

25. Press Release (possibly a draft) re HL&P announcement concerning change in responsibility on STP. Undated
26. Draft HL&P statement re announcement of decision to reallocate A/E and Construction Manager responsibilities at STP. Undated
27. Handwritten notes, probably by G.W. Oprea, re change of A/E and construction manager at STP. Undated
28. Handwritten notes concerning STP by D.D. Jordan, re cost and schedule, attitude of Austin, looking at options, and questions concerning engineering. Undated
29. Handwritten notes by D.D. Jordan re, inter alia, possible removal of B&R. Undated
30. Handwritten notes by G.W. Oprea, possibly concerning possible schedule for meetings related to B&R. Undated
31. Handwritten notes by G.W. Oprea, possibly concerning possible schedule for meetings related to removal of B&R. Undated
32. Calendar entitled "implementing actions," marginal note probably by D.D. Jordan. Undated

DOCUMENTS WITHHELD FROM PRODUCTION
ON THE BASIS OF ATTORNEY-CLIENT
PRIVILEGE AND/OR WORK PRODUCT PROTECTION

<u>DOCUMENT</u>	<u>DATE</u>
1. Handwritten note from J.R. Newman to G.W. Oprea re regulatory aspects of possible change of B&R responsibilities, with marginal note by F.E. Cowan.	6/24/81
2. Letter from F.E. Cowan to G.W. Oprea and J.H. Goldberg re B&R contract provisions related to reorganization of STP work.	7/8/81
3. Document entitled "Brown & Root Settlement," apparently prepared by legal counsel, re legal considerations related to possible termination of B&R.	7/17/81
4. Handwritten memorandum from J.R. Newman to file re HL&P consideration of partial B&R replacement.	7/22/81
5. Telecopy from J.R. Newman to G.W. Oprea re suggested telephone notice to Messrs. Stello and Denton concerning initiation of activities to ascertain feasibility of replacing B&R.	7/29/81
6. Memo from M.A. Axelrad to J.R. Newman attaching draft of statement by counsel and associated questions re regulatory aspects of possible transfer of B&R responsibilities.	8/18/81
7. Draft "South Texas Project Report on Contractor Replacement" by J.R. Newman.	9/6/81
8. Draft "Questions Associated with Replacement of Contractor" by J.R. Newman.	9/9/81
9. Unredacted Final and Draft Minutes of 9/12/81 (morning) HL&P meeting conducted by D.D. Jordan re possible replacement of A/E and Construction Manager. Redacted version produced as Doc. in Attachment A, <u>supra</u> .	9/22/81
10. Memorandum from F.E. Cowan to G.W. Oprea re draft replies to letters from W.Rice and T.J. Feehan.	9/22/81

11. Memorandum from J.R. Newman to HLP-South Texas Project File re conversation with D.D. Jordan, G.W. Oprea, J.H. Goldberg, and H. Dean on 9/23/81 concerning, inter alia, press releases on change of responsibilities at STP. 9/23/81
12. Final version of "Questions Associated with Replacement of Contractor" by J.R. Newman. Draft version prepared 9/9/81. See No. 7, supra. Undated
13. Handwritten notes by J.R. Newman re potential meeting with NRC officials on replacement of B&R as A/E and Construction Manager. Undated
14. Handwritten notes by J.R. Newman re points for discussion with D.D. Jordan concerning regulatory aspects of replacement of B&R. Undated
15. Handwritten outline of "Report on Contractor Replacement" by J.R. Newman. Undated