

50-498/499 OL

E-CCANP-118  
8/5/85

AGREEMENT NOT TO ASSERT CERTAIN DEFENSES

THIS AGREEMENT, entered into as of the 28th day of December, 1979, by and between Brown & Root, Inc., a Texas corporation having its principal office at the City of Houston, Harris County, Texas (Contractor) and Houston Lighting & Power Company, a Texas corporation having its principal office at the City of Houston, Harris County, Texas (HL&P), acting as Project Manager on behalf of itself and the other Participants in the South Texas Project pursuant to that certain Participation Agreement, executed as of July 1, 1973, as amended (the Participation Agreement), among Houston Lighting & Power Company, the City of Austin, Texas, Central Power and Light Company and the City of San Antonio, Texas, acting through the City Public Service Board of San Antonio (Participants), as follows:

1. Reference is made to that certain Engineering and Construction Contract, made and entered into as of October 31, 1972 between Contractor and HL&P, acting as Project Manager pursuant to the Participation Agreement, as amended (the Contract). Under the Contract, Contractor undertook to design, engineer and construct that certain nuclear-fueled, steam-electric generating station known as the South Texas Project, in which the Participants are co-tenants pursuant to the terms of the Participation Agreement.

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CCANP #118

NUCLEAR REGULATORY COMMISSION  
 IN THE MATTER OF **SIN 50-49806**  
 APPLICANT  
 INTERVIEW  
 DATE  
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 DATE  
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**20 Aug 18**

2. Disputes have arisen between the Contractor and the Participants over actions, inactions and representations of the parties with respect to, or arising in connection with, the design, engineering and construction of the Project and over the parties' performance of their obligations under the Contract. Although disputed, the Contractor deems that it has one or more causes of action against the Participants, and the Participants, collectively and individually, deem that they have one or more causes of action against the Contractor, said causes of action sounding either in tort, in contract or both. The paramount objective of both the Participants and the Contractor is to complete the South Texas Project. The imperative need to eliminate any materially unnecessary costs and to do everything appropriate to improve the latest schedule for completion of the South Texas Project for beneficial use and occupancy is mutually recognized, and all parties agree to use their best efforts to achieve that result.

3. In an effort to resolve the disputes described in paragraph 2 above on a mutually satisfactory basis, the Contractor and the Participants have agreed to forebear the institution of litigation for a period of six months from the date first written above. In consideration for such forbearance in instituting litigation and to provide

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opportunity for discussions toward the possibility of further forbearance or avoidance of litigation, Contractor and Participants have agreed, and do hereby agree, that Contractor and Participants, and their respective successors or assigns, will not assert, in any litigation initiated in a court of competent jurisdiction within two years after the date first written above (December 28, 1979), any defense of limitations, laches or estoppel/ <sup>by laches,</sup> either as provided by the Contract, by law or otherwise, with respect to any action, proceeding, suit, demand, claim or other rights of, or which may be asserted by, Participants, either individually or collectively, or by Contractor with respect to said disputes, whether arising under the Contract or otherwise. Provided, however, that this Agreement shall not preclude the assertion of any defense of limitations, laches or estoppel that would have been valid if asserted against a lawsuit filed in a court of competent jurisdiction on the date first written above.

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4. Halliburton Company, a Delaware corporation having its principal office at Dallas, Dallas County, Texas, the corporate parent of Contractor, joins herein to evidence its agreement to be bound hereby to the same extent as Contractor <sup>the assertion of the defenses referred to herein in</sup> with regard to/any such dispute which may be asserted by Participants, either individually or collectively, against Halliburton Company.

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IN WITNESS WHEREOF, the undersigned have executed  
this Agreement Not To Assert Certain Defenses as of the date  
first written above.

BROWN & ROOT, INC.

By Thomas J. Sechan  
B.R.

ATTEST:

Janet Lund  
Assistant Secretary

HALLIBURTON COMPANY

By Joseph H. Hark  
Chairman of the Board and  
Chief Executive Officer

ATTEST:

Louise M. Kennedy  
Secretary

HOUSTON LIGHTING & POWER COMPANY  
acting as Project Manager on behalf  
of itself and the Participants in  
the South Texas Project under that  
certain Participation Agreement,  
executed as of July 1, 1973, as  
amended, among the City of Austin,  
Texas, Central Power and Light  
Company, Houston Lighting & Power  
Company and the City of San Antonio,  
Texas, acting through the City Public  
Service Board of San Antonio.

By [Signature] MRS

Attest:

J. R. Johnston

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(END)