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May 13, 1992

*Hold in
file*

John L. Thorndal, Esq.
THORNDAL, BACKUS, MAUPIN
& ARMSTRONG
1100 East Bridger Avenue
Las Vegas, Nevada 89101

Re: Nevada Power v. General Electric, Monsanto & Westinghouse

Dear John:

This letter will memorialize our conversation today during which you informed me that your clients were refusing the opportunity, suggested by Plaintiff, to discuss a negotiated settlement of the above-referenced litigation. Plaintiff, Nevada Power, had requested that the three defendants each provide a representative with settlement authority for a meeting with Plaintiff and its counsel for the purpose of discussing a fair and reasonable settlement of this case prior to the initiation of extensive discovery by Plaintiff. The Defendants apparently prefer to proceed to trial.

I think it is unfortunate that the Defendants apparently prefer to disregard the chance to resolve this litigation now, in a manner that is fair to all parties, before both sides incur additional costs, and before information which is extremely damaging to the Defendants becomes part of the public record.

In light of the potential financial impact to Defendants in the event of an adverse verdict, Defendants must be extremely confident of the indulgence of their stockholders to have so casually dismissed this opportunity. Defendants' confidence in the outcome of the case may turn out to be as misplaced as their confidence in a successful outcome at the Ninth Circuit. In the

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John L. Thorndal, Esq.

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meantime, I will look forward to seeing you during the prosecution of this case.

Very truly yours,

JONES, JONES, CLOSE
& BROWN, CHARTERED

J. Randall Jones, Esq.

JRJ/jls

cc: J. Bruce Alverson, Esq.

Richard L. Hinckley, Esq.

jls\thorndal.ltr