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September 28, 1989

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David McCrea, Esq.
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Re: Nevada Power vs. G.E., et al.

Dear Tom & David:

At this point in time I believe it necessary to discuss, in depth, our strategy regarding the above-mentioned case. Because our firm was initially told by you that we could expect the Defendants to settle rather than go to Court, we have not really geared up for a fight. Unfortunately, no one figured on the Chattanooga case at that time.

We appeared in the Federal District Court yesterday at a status conference to set a discovery schedule, and the three Defendants were represented by six lawyers. They mean to keep our feet to the fire and we need to regain the initiative. I think it is imperative that we re-evaluate our respective roles in the case and develop an overall strategy and plan for prosecuting it. At present I believe we are drifting somewhat rudderlessly to the benefit of the Defendants.

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I would like to propose the following as a general outline for handling this case:

1. I think we need to focus on our best legal theories in the case, as opposed to a shotgun approach. Because we are Plaintiff's counsel, our resources are not as great as Defendants, (especially these Defendants). Consequently, focusing on our strongest claims will focus our resources on the claims most likely to succeed. With that in mind, I was hoping one of the two of you would evaluate each claim we have made, and estimate the amount of work required to prosecute that particular claim;

2. Outline the responsibilities of each of the law firms with respect to litigation, negotiation with the Defendants, cost sharing and establish schedules within which to accomplish each task; and

3. Set up by-weekly conference calls at a particular time to discuss the status of the case. To kick things off, I think it would be very helpful if we could meet here sometime within the next week or so. We suggest October 9, 10 or 11; call when you receive this letter and let us set a date.

Each of you should have received by now the last form needed to allow you to practice in our Federal Court. As soon as your forms are returned to us, we will file them.

Finally, we are in the process of responding to the discovery propounded on us by the Defendants, and we intend to respond to the discovery as completely as possible. If there are any questions or concerns about that, please contact Chuck, Nik Skrinjaric or me.

I look forward to your prompt response to my proposal.

Sincerely yours,

JONES, JONES, CLOSE
& BROWN, CHARTERED


J. Randall Jones, Esq.

JRJ/jls
6471J

cc: Charles McCrea, Esq.
Nik Skrinjaric, Esq.