

THOMAS E. KOTOSKE
A PROFESSIONAL LAW CORPORATION
540 UNIVERSITY AVENUE
THIRD FLOOR
PALO ALTO, CALIFORNIA 94301
TELEPHONE (415) 326-5575

OF COUNSEL:
WILLIAM N. WOODSON, III
MICHAEL J. ACKERMAN

May 22, 1989

Mr. Mansfield C. Neal, Jr.
Division Counsel
GE Power Delivery Division
150 South Warner Road, Ste. 300
King of Prussia, Pennsylvania 19406

Re: Nevada Power Company

Dear Mr. Neal:

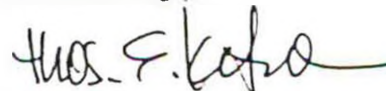
Enclosed please find Nevada Power Company's damage summary generated as the result of its PCB change-out program.

Demand is made on General Electric, Westinghouse Electric Corporation and Monsanto Company for the sum of \$4,886,093. to cover the cost of these damages. A separate statement of property damage due to PCB equipment is being prepared although part of these damages are included in this damage summary.

As there is no tolling agreement in this case, if this matter is not disposed of by July 1, 1989, our client will have no option but to commence suit to recover these costs.

If you have questions, please call me directly to discuss this matter.

Sincerely,



THOMAS E. KOTOSKE

TEK:rry
Enclosure

cc: Charles H. McCrea
David S. McCrea

*Tom checked with McCarthy
before sending this out.*

NEVADA POWER COMPANY: PCB
REMOVAL AND REPLACEMENT
DAMAGE SUMMARY

1.	Replacement Costs	\$3,325,160.
	a) Transformers: 1,876,471.	
	b) Capacitors : <u>1,472,681</u>	
	<u>3,349,152</u>	
2.	Disposal Costs	1,114,092.
3.	Analytical Costs	33,622.
4.	Construction Costs	17,231.
5.	Disposal Containers	12,805.
6.	Labor Costs (capacitors, only)	163,183.
7.	Future PCB Removal Costs	200,000.
		\$4,866,093.

NOTE: A separate statement as to property damage is
being prepared.