March 2020

To: Governor Gavin Newsom
https://govapps.gov.ca.gov/gov40mail/

From: California environmental organizations

Regarding: Advocacy for immediate shutdown of the reactors at Diablo Canyon Nuclear Power Plant

When the California Public Utilities Commission (CPUC) considered the original Joint Proposal agreement, it authorized Pacific Gas and Electric Company (PG&E) to retire the plant by 2024 and 2025. The Decision noted that if the economic situation deteriorated, the CPUC had the authority to review the retirement dates. PG&E was warned to prepare for that potential scenario.

With PG&E in bankruptcy protection, we now have the opportunity to reshape California's energy future. You, Governor Newsom, are in a position to determine the fate of both the utility and its nuclear power plant. Please consider the following:

- California ratepayers are subsidizing the continued operation of the Diablo Canyon nuclear facility.

  California law, including Public Utilities Code §§ 451 and 454, protects ratepayers from unjust and burdensome rates. Yet PG&E's rates are currently unreasonable and are becoming increasingly so. Its own calculations show it operating Diablo Canyon at a loss and passing this deficit onto its ratepayers and to Community Choice Aggregations (CCAs).

  2018: $410,000 in above-market costs

  2019: $1,168,000,000 in above-market costs

  2020 estimate: $1,258,000,000 in above-market costs

  2025 estimate: it will have accumulated more than $8,000,000,000 in above-market costs

  CPUC "Petition for Modification", 18-01-022, October 1, 2019, Alliance for Nuclear Responsibility

  PG&E simply cannot compete with wind, solar, and gas in the open market. An additional hit for PG&E is that the need for Diablo Canyon's energy has been in steep decline due to the rapid growth of community choice programs. PG&E has already lost nearly half of its customers to CCAs, and that is going to increase with time as CCAs continue to expand.

- The CPUC has allowed PG&E to pass Diablo Canyon's over-market costs on to CCA customers through burdensome Power Charge Indifference Adjustment (PCIA) charges.

When departing CCA customers leave PG&E, they must continue to assume financial obligations PG&E incurred. These customers pay high PCIA charges, in large part due to the commercial failure of the Diablo Canyon nuclear plant. But if Diablo Canyon were to retire now, as allowed by D1801022, PCIA charges would be substantially reduced. PG&E ratepayers would be spared the costs of operation, maintenance, capital costs, and above-market costs.

- The need for Diablo Canyon's electricity is in question.

  CEC Energy Demand Forecast data shows that PG&E's load decreased from 61,182 GW hours in 2017 to 32,619 GWh in 2019. Scenarios PG&E predicted for 2025 have already occurred.

California Energy Commission Energy Demand Forecast Update, Docket 18-IEPR-04 at https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=18-IEPR-04 See Docket Entry TN 226461, d 2/5/19, Corrected LSE and BA Tables Mild Baseline Mid AAEE AAPV CEDU2018, IEPR Reports

TN226461_20190205T132722_Corrected LSE and BA Tables Mid Baseline Mid AA

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Form 1.1c - Statewide
California Energy Demand Update Forecast 2018 - 2030, Mid Demand Ba
Electricity Deliveries to End Users by Age

Area	Agency	2017	2018
	Calaveras Public Power Agency	34	34
	City of Alameda	395	387
	City of Biggs	18	18
	City of Gridley	37	37
	City of Healdsburg	83	81
	City of Lodi	462	453
	City of Lompoc	138	135
	City of Palo Alto	984	960
	City of San Francisco	1,055	1,035
	City of Ukiah	121	118
	Department of Water Resources (North)	4,573	3,017
	Island Energy/Pittsburg	24	23
	Lassen Municipal Utility District	136	133
	Pacific Gas and Electric Company (Bundled)	**61,182**	**49,777**
	Pacific Gas and Electric Company (Direct Access)	9,074	9,520
	Pacific Gas and Electric Company (BART)	407	402

Form 1.1c - STATEWIDE

California Energy Demand 2019-2030 Managed Forecast - Mid

Electricity Deliveries to End Users by Agency

Agency	2018	2019	2020	2021	2022	2023
Pacific Gas & Electric Company (Bundled)	49,436	32,619	29,073	26,555	25,593	25,4
Pacific Gas & Electric Company (Direct Access)	9,410	9,520	10,418	11,400	11,400	11,4
Pacific Gas & Electric Company (BART)	37	38	380	380	380	3
CCA - Butte Choice Energy	-	-	-	448	922	9
CCA - CleanPowerSF	1,239	2,728	3,116	3,083	3,066	3,0
CCA - East Bay Community Energy	2,014	7,602	7,535	7,455	7,415	7,4
CCA - King City Community Power	23	30	30	30	29	
CCA - Marin Clean Energy	4,329	5,342	5,498	5,879	6,039	6,0

The more current corrected data shows demand for PG&E's bundled customers in 2020 as 29,073 GWh - a significantly lower projection of need than previously claimed and negating data which was used to justify the 2024/2025 retirement dates.

CEC's 2019 IEPR Docket, Electricity and Natural Gas Forecast, specifically Item 231633, dated 1/22/2020, "CED 2019 Managed Forecast - LSE and BA Tables Mid Demand - Mid AAEE Case - CORRECTED 11c".

Diablo Canyon now produces more electricity than is needed for PG&E's bundled customers. Thus, the utility is now offering their oversupply to CCAs, asking them to abandon their purpose to support the growth of carbon-free, non-nuclear energy in exchange for a small monetary benefit.

Governor Newsom, we urge you to use your authority to shut down Diablo Canyon Nuclear Power Plant immediately. Consider the declining need for its power, the rise of CCAs, the deteriorating economic picture for PG&E, and the significant savings for the ratepayers once the plant closes.

Rather than investing billions of dollars into the support of a dangerous, antiquated electrical and gas infrastructure, you can utilize this opportunity to move California toward an energy future that is clean, resilient, safe, and reliable - with reasonable rates!

San Luis Obispo Mothers for Peace mothersforpeace.org

Tri-Valley CAREs (Communities Against a Radioactive Environment)
www.trivalleycares.org

Ecological Options Network eon3.org

CodePINK for Peace codepink.org
Nationwide
Golden Gate Chapter
San Luis Obispo Chapter

Extinction Rebellion xrpeace.org
Peace Team, San Francisco Bay Area
San Luis Obispo

California Brain Tumor Association http://www.calibta.org/

WOMEN'S ENERGY MATTERS

Women's Energy Matters http://womensenergymatters.com/

Samuel Lawrence Foundation samuellawrencefoundation.org

Biodiversity First! https://biodiversityfirst.net/

Climate Action Campaign PENDING REPLY
https://www.climateactioncampaign.org/