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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

Investigation 12-10-013  
(Filed October 25, 2012)

And Related Matters.

Application 13-01-016  
Application 13-03-005  
Application 13-03-013  
Application 13-03-014

**ADMINISTRATIVE LAW JUDGE'S RULING ON MISCELLANEOUS  
SCHEDULING AND PROCEDURAL ISSUES AND NOTICE OF  
PHASE 2 PREHEARING CONFERENCE**

This ruling schedules initial events in Phase 2 of this proceeding, resolves certain motions, and confirms certain previous email rulings.

**Phase 2 - Tentative Scope**

As broadly described in the Phase 1 Scoping Memo, Phase 2 will evaluate "whether any reductions in SCE's rate base and 2012 revenue requirement are warranted or required due to the extended SONGS outage." The following is a more specific statement of the preliminary scope of Phase 2:

1. What are the values of SONGS assets in rate base, and which of these assets should be removed from rate base pursuant to Public Utilities Code § 455.5, as of November 1, 2012, or a later date if any such asset became not “used and useful” after November 1, 2012?
2. What are the related Operations and Maintenance costs associated with the assets removed from rate base according to No. 1 above?
3. Any other issues relevant to the application of § 455.5 to the SONGS outage.

### **Phase 2 – Required Utility Testimony**

In order to advance the factual record of Phase 2, we will require Southern California Edison and San Diego Gas and Electric to jointly or separately serve direct testimony by July 22, 2013. This testimony shall provide an accounting of the assets and amounts currently in rate base for the entire SONGS facility, subdivided into the categories listed in Attachment 1 – Categories of SONGS Assets. This accounting shall: 1) use the format of the Results of Operations model from SCE’s most recent general rate case, as shown in Attachment 2 – SONGS Capital Categories; 2) subdivide the assets by Unit 2, Unit 3, and common assets; and 3) clearly identify the dollar value of each asset in rate base by SCE’s and SDG&E’s respective ownership share for each asset. The accounting shall be provided in this form for both November 1, 2012, June 30, 2013, and any other relevant date.

As part of this testimony, each utility shall make a proposal for which assets should be removed from rate base as of November 1, 2012, and related monthly O&M costs, as well as SONGS assets which should be removed from rate base, along with associated O&M costs, as of a date other than November 1, 2012.

## **Phase 2 – Prehearing Conference**

The Phase 2 Prehearing Conference will be held on Friday, July 12, 2013 beginning at 10:00 a.m. in the Commission’s Auditorium, 505 Van Ness Avenue, San Francisco, CA. The purpose of the Prehearing Conference will be to discuss the scope and schedule of Phase 2 of this proceeding. The Prehearing Conference will be transcribed by court reporters and webcast by the Commission’s staff. A recording of the webcast will be posted publically. No other audio or video recordings will be permitted.

## **Phase 1 - Granting Women’s Energy Matters’ Motion for Late Filed Exhibit**

On May 30, 2013, Women’s Energy Matters (WEM) sent an email motion requesting to admit WEM Exhibit 12 as a late filed exhibit. The exhibit is a booklet titled “Nuclear Power Plant Emergency Information: For Farmers, Ranchers, Nursery Stock Producers, Food Processors, and Distributors.” The document was served as an attachment to WEM’s testimony – Errata on April 4, 2013. Ms. George referred to the document in her questions during the Phase 1 hearings (Vol. 6, pp. 1192-1193). No parties have opposed the motion. This exhibit is marked and admitted as WEM-12.

## **Phase 1 - Confirming Schedule in June 4, 2013 Email Ruling**

On June 4<sup>th</sup>, the Administrative Law Judges (ALJs) issued an email ruling setting a schedule for certain events in Phase 1. This ruling confirms the schedule set forth in that email ruling.

## **Phase 1 - Late Filed Exhibits**

On June 6, 2013, SCE served a late exhibit as directed by the ALJs at the end of the Phase 1 evidentiary hearings. SCE marked this exhibit as SCE-35, titled “SONGS 2012 O&M Base-Routine Versus Base-Steam Generator Inspection and Repair (SGIR).” On June 18, SDG&E served late exhibit SDGE-11 “SDG&E

SONGS 2012 O&M: Base-Routine vs. Base-Steam Generator Inspection Repair (SGIR) & Revised Excerpts from 2012 SONGS Outage Memorandum Account (OMA).” No party has expressed opposition to these exhibits being admitted into the record and they are marked and admitted into evidence as SCE-35 and SDGE-11, respectively.

### **Phase 1 - Motions to Correct Transcript**

SCE and SDG&E have each filed motions to correct the transcript of the Phase 1 hearings, conducted May 13-17, 2013.<sup>1</sup> These motions are unopposed and are granted.

### **Overall Schedule**

The table in Attachment 3 – Overall Schedule reproduces the entire going forward schedule, to the extent it is known at this time.

#### **IT IS RULED that:**

1. Southern California Edison and San Diego Gas and Electric shall serve testimony providing an itemization of the assets and amounts in rate base for the entire SONGS facility by July 22, 2013, as described in more detail in the body of this ruling.
2. A prehearing conference for Phase 2 will be held on July 12, in the CPUC Auditorium, at 10:00 a.m. The prehearing conference will be webcast and no other audio or video recordings will be permitted.
3. The Motion of Women’s Energy Matters for admittance of a late exhibit is granted. The booklet titled “Nuclear Power Plant Emergency Information: For

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<sup>1</sup> SCE’s motion was filed and served on June 6, 2013; SDG&E’s on June 11, 2013.

Farmers, Ranchers, Nursery Stock Producers, Food Processors, and Distributors”  
is marked and admitted as WEM-12.

4. Exhibits SCE-35 and SDGE-11 are marked and admitted into evidence.

5. SCE and SDG&E’s motions to correct the transcript of the Phase 1 hearings  
are granted.

6. The schedule in Attachment 3 - Overall Schedule is adopted.

Dated July 1, 2013, at San Francisco, California.

/s/ MELANIE DARLING

Melanie M. Darling  
Administrative Law Judge

/s/ KEVIN DUDNEY by  
MELANIE DARLING

Kevin Dudney  
Administrative Law Judge

## **Attachment 1 – Categories of SONGS Assets**

- 1) Generation Systems:
  - a) Fuel
  - b) Reactors
  - c) Reactor Cooling Systems
  - d) Steam Generators
  - e) Steam Separators
- 2) Power Plant Systems – Electrical:
  - a) Generator and Support Systems
  - b) Substation
  - c) Normal Plant Electrical Distribution Systems
  - d) Emergency Electrical Distribution Systems
- 3) Power Plant Systems – Mechanical:
  - a) Main Steam System
  - b) Turbines and Support Systems
  - c) Condenser
  - d) Condensate and Feedwater Systems
  - e) Circulating Water Systems
  - f) Service Water or Cooling Water Systems
- 4) Containment and Control Systems:
  - a) Containment
  - b) Containment Pressure Control Systems
  - c) Emergency Feedwater Systems
  - d) Emergency Core Cooling Systems
  - e) Reactor Protection and Engineered Safety Features Actuation Systems
  - f) Accident Monitoring Instrumentation
  - g) Nuclear Instrumentation Systems
  - h) Component and Closed Cooling Water Systems
  - i) Emergency Ventilation Systems
  - j) Ultimate Heat Sink or Essential Service Water Systems

5) Other SONGS Systems:

- a) Radioactive Waste Systems
- b) Spent Fuel Storage (Cooling Pools and Dry Storage)
- c) Reactor Water Makeup Systems
- d) Reactor Water Chemical Cleanup Systems
- e) Rod Control Systems
- f) Rod Position Indication Systems
- g) Containment Ventilation Systems
- h) Other Systems Not Mentioned Above

(End of Attachment 1)

## Attachment 2 – SONGS Capital Categories

In its Test Year 2012 General Rate Case (GRC) Results of Operations (R/O) computer model, SCE breaks down SONGS capital into seven categories. (See tab “Depreciation Rates” in the “Depreciation Rates Schedule” workbook in the R/O model.)

Southern California Edison Annual Accrual Rate Determination Straight Line Remaining Life Method For Estimated Year 2012																					
	GROSS PLANT			EST. FUTURE NET SALVAGE		DEPRECIATION RESERVE		DEPRECIABLE BALANCE		AVG SERV LIFE		ANNUAL ACCRUAL		EST. FUTURE COST OF REMOVAL		COR DEPR RESERVE		COR DEPR BALANCE		ANNUAL COR ACCRUAL	
	Jan 1, 2010	%	AMOUNT	1/1/10	1/1/10	CURVE	LIFE	REMA	ANNUAL	% GROSS	%	\$	1/1/10	1/1/10							
	(1)	(2)	(3)	(4)	(5)	(6)	(8)	(10)	(11)	(12)											
<b>NUCLEAR PRODUCTION – SAN ONOFRE</b>																					
320.2	Elements	1,100,754	0.0%	-	284,735			12.5	66,678	0.0%	-	-	-	-	-	-	-	-	-	-	-
321	Structures & Improvements	1,173,822,971	0.0%	-	128,170,104			12.5	10,885,938	0.0%	-	(12,221)	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221	12,221
322	Reactor Plant Equipment	1,552,598,574	0.0%	-	1,480,789,008			12.3	7,438,554	0.0%	-	(38,408)	138,408	138,408	138,408	138,408	138,408	138,408	138,408	138,408	138,408
323	Turbogenerator Units	655,839,245	0.0%	-	490,196,515			11.9	5,548,749	0.0%	-	(1,655,128)	1,655,128	1,655,128	1,655,128	1,655,128	1,655,128	1,655,128	1,655,128	1,655,128	1,655,128
324	Accessory Electric Equipment	732,119,404	0.0%	-	349,891,412			12.5	4,433,879	0.0%	-	-	-	-	-	-	-	-	-	-	-
325	Misc. Power Plant Equipment	438,306,211	0.0%	-	326,143,138			11.9	8,802,542	0.0%	-	-	43,178	43,178	43,178	43,178	43,178	43,178	43,178	43,178	43,178
	Marine Mitigation	47,152,254	0.0%	-	6,988,704			12.5	3,263,054	0.0%	-	-	-	-	-	-	-	-	-	-	-
	<b>Total SONGS Production</b>	<b>4,464,939,495</b>		<b>-</b>	<b>3,971,210,605</b>			<b>12.2</b>	<b>40,370,020</b>	<b>0.0%</b>			<b>(1,113,677)</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>93,834</b>
181	Design Basis Documentation (DBD)	30,998,642	0.0%	-	28,244,607			12.5	2,253,935	0.0%	-	-	-	-	-	-	-	-	-	-	-
182	Deferred Debits	2,122,812	0.0%	-	808,588			12.5	1,313,915	0.0%	-	-	-	-	-	-	-	-	-	-	-
	<b>Total SONGS O&amp;D &amp; Debits</b>	<b>33,121,454</b>		<b>-</b>	<b>29,053,193</b>			<b>12.5</b>	<b>3,567,850</b>												
	<b>Total SONGS Plant</b>	<b>4,498,060,949</b>		<b>-</b>	<b>4,000,263,798</b>				<b>497,798,741</b>				<b>(1,113,677)</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>1,113,677</b>	<b>93,834</b>

(End of Attachment 2)

**Attachment 3 - Overall Schedule**

<b>Date</b>	<b>Phase 1 Event</b>	<b>Phase 1a (Replacement Power) Event</b>	<b>Phase 2 Event</b>
6/21/2013	Last day for parties to make schedule requests related to late filed exhibits		
6/28/2013	Phase 1 Opening Briefs		
7/9/2013	Phase 1 Reply Briefs; Submission of Phase 1, except for 2012 Replacement Power Method		
7/10/2013		Reply Testimony on 2012 replacement power cost calculation method	
7/12/2013			Phase 2 Prehearing Conference
7/24/2013		Rebuttal Testimony on 2012 replacement power cost calculation method	
7/25/2013			Utility Phase 2 Testimony Itemizing SONGS Rate Base
8/5-6/2013		Hearings on 2012 replacement power cost calculation method	
8/29/2013		Briefs on 2012 replacement power cost calculation method	
9/12/2013		Reply Briefs on 2012 replacement power cost calculation method	

(End of Attachment 3)