



California Public Utilities Commission

505 Van Ness Avenue, San Francisco, CA 94102

Press Release

FOR IMMEDIATE RELEASE

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PUC APPROVES STEAM GENERATOR REPLACEMENT FOR EDISON

SAN FRANCISCO, December 15, 2005 - The California Public Utilities Commission (PUC) today approved Southern California Edison's Steam Generator Replacement Project (SGRP) and certified the Final Environmental Impact Report as required by the California Environmental Quality Act.

San Onofre Nuclear Generating Station Units 2 & 3 (collectively SONGS) is currently in operation with a capacity of approximately 2,150 megawatts. It is located on the California coast 62 miles southeast of Los Angeles, in San Diego County. SONGS is currently licensed by the Nuclear Regulatory Commission to operate until 2022. Edison estimates that SONGS will likely be required to shut down because of the degradation of the steam generators in 2009. As a result, Edison requested from the Commission approval of the SGRP.

In approving the SGRP, the Commission said it will conduct a reasonableness review of the project if costs exceed \$680 million. The Commission also set a cost cap at \$782 million – or 15 percent - over estimated project costs, which is similar to the cost cap imposed on Pacific Gas and Electric Company for its SGRP project.

San Diego Gas & Electric Company (SDG&E), a co-owner of SONGS, elected not to participate in the SGRP. The Commission ordered SDG&E to file within 120 days a Section 851 application to determine the reasonableness of the transfer of all or part of SDG&E's ownership share to Edison.

For more information on the PUC, please visit www.cpuc.ca.gov.

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