



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

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Implementing Senate Bill 846
Concerning Potential Extension of
Diablo Canyon Power Plant
Operations.

Rulemaking 23-01-007
(Filed January 14, 2023)

**JOINT STATEMENT FOLLOWING RULE 13.9 MEET AND CONFER BY PACIFIC
GAS AND ELECTRIC COMPANY (U 39 E) ON ORDER INSTITUTING
RULEMAKING TO CONSIDER POTENTIAL EXTENSION OF DIABLO CANYON
POWER PLANT OPERATIONS IN ACCORDANCE WITH SENATE BILL 846**

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TO CONSIDER POTENTIAL EXTENSION OF DIABLO CANYON POWER PLANT
OPERATIONS IN ACCORDANCE WITH SENATE BILL 846**

I. INTRODUCTION

Pursuant to the July 25, 2023 Procedural Email of Assistant Chief Administrative Law Judge Patrick Doherty and Rules 1.8 and 13.9 of the Commission’s Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E) files this Meet and Confer Statement (Joint Statement) in the Order Instituting Rulemaking Implementing Senate Bill (SB) 846 Concerning Potential Extension of Diablo Canyon Power Plant Operations (OIR) on behalf of itself and the following parties and/or persons to comply with Rule 13.9(b): Alliance for Nuclear Responsibility (A4NR); Alliance for Retail Energy Markets and the Direct Access Customer Coalition (AReM/DACC); the Public Advocates Office at the California Public Utilities Commission (Cal Advocates); California Community Choice Association (CalCCA); California for Renewable Energy, Inc. (CARE); Calpine Corporation (Calpine); the Coalition of California Utility Employees (CUE); Green Power Institute (GPI), Natural Resources Defense Council (NRDC); Northern Chumash Tribal Council (NCTC); the small and multi-jurisdictional utilities (SMJUs), which include Bear Valley Electric Service, Inc., Liberty Utilities (CalPeco Electric) LLC, and PacifiCorp;^{1/} Small Business Utility Advocates (SBUA); Southern California Edison Company (SCE); San Diego Gas & Electric Company (SDG&E); the County of San Luis Obispo

^{1/} Although the SMJUs are not parties to R.23-01-007, the SMJUs have an interest in the outcome of the proceeding and participated in the meet and confer.

(SLO County); San Luis Obispo Mothers for Peace (SLOMFP); The Utility Reform Network (TURN); the Union of Concerned Scientists (UCS); Women’s Energy Matters (WEM).^{2/}

On or about July 26, 2023, PG&E emailed parties on the service list for this proceeding to request their availability for a meet and confer teleconference on August 7, 2023. Parties responding to PG&E’s inquiries identified 1:00 PM on August 7, 2023 as the best available time. On or about July 31, 2023, PG&E sent a calendar invite noting the date, place, and time to all party representatives to this proceeding for the meet and confer teleconference on August 7, 2023.

Consistent with Rule 13.9, PG&E hosted a Meet-and-Confer meeting on Monday, August 7, 2023 via teleconference to discuss the issues identified in Rule 13.9 of the Commission’s Rules of Practice and Procedures and the preparation of this Joint Statement. Parties in attendance included: A4NR; AReM/DACC; Cal Advocates; CalCCA; Calpine; CUE; GPI, NCTC; PG&E; SMJUs; SBUA; SCE; SDG&E; SLO County; SLOMFP; TURN; UCS; WEM. The results of these efforts are summarized herein. In accordance with Rule 13.9(b), PG&E noticed the service list after the Meet and Confer was held via this Joint Statement.

II. RULE 13.9 ISSUES

During the Meet and Confer, the parties discussed the following matters.

A. Identifying and, if possible, informally resolving any anticipated Motions.

Parties discussed the following potential motions:

1. Evidentiary Motions To Submit Testimony

The parties agree that, to develop the evidentiary record in this proceeding and to minimize administrative burden, PG&E will coordinate with parties to move public versions of prepared testimony served to parties in response to the ALJ’s rulings into the evidentiary record via a joint, single motion. Parties had a fulsome discussion on this topic and agreed that parties

^{2/} Pursuant to Rule 1.8 (d), each party or person has authorized PG&E counsel to sign and file this Joint Statement on behalf of those respective organizations.

would coordinate on relevant joint motions following an ALJ ruling on motions for evidentiary hearings or briefs.

2. Motions to File Under Seal

Regarding PG&E-confidential information, the parties agree to coordinate on a motion with PG&E to file confidential testimony under seal.

Regarding non-PG&E-confidential information, the parties will individually submit motions to file confidential testimony under seal.

3. Motions for Evidentiary Hearing and/or Briefs

Given the expedited schedule and range of issues, the parties that supported evidentiary hearings and/or briefing agreed to individually move for evidentiary hearings and/or briefs.

B. Identifying the facts and issues in the case that are (1) uncontested and may be the subject of stipulation or (2) are in dispute.

The Phase 1, Track 2 issues from the Scoping Ruling^{3/} are provided below, and the parties have identified whether these facts and issues are: (1) uncontested and may be the subject of stipulation, or (2) in dispute.

1. Whether operations at Diablo Canyon should be extended until October 31, 2029 (Unit 1) and October 31, 2030 (Unit 2), or whether earlier retirement dates should be established. In making this determination the Commission will consider:

a. Whether the \$1.4 billion loan provided for by Chapter 6.3 of Division 15 of the Pub. Res. Code is terminated, or whether an extension of operations at Diablo Canyon is found to be not cost-effective, imprudent, or both;

Disputed issue.

b. Whether the NRC has extended the operation dates for Diablo Canyon;

Parties agree that the license has not been renewed.

^{3/} *Assigned Commissioner's Scoping Memo and Ruling*, issued April 20, 2023, at pp. 5-6.

c. Whether the costs of any upgrades necessary to address seismic safety, issues of deferred maintenance, or NRC conditions of license renewal are too high to justify;

Disputed issue.

d. Whether new renewable energy and zero-carbon resources that will be constructed and interconnected by the end of 2023 are an adequate substitute for Diablo Canyon, and will meet the state's planning standards for energy reliability; and

Disputed issue.

e. If the Commission establishes earlier retirement dates, the length of time necessary for an orderly shutdown of Diablo Canyon.

Disputed issue.

2. If the Commission directs and authorizes extended operations at Diablo Canyon, whether one or more processes should be established to continue to monitor the associated utility ratepayer cost from, and reliability need for, continued operations at Diablo Canyon.

Disputed issue.

3. If the Commission directs and authorizes extended operations at Diablo Canyon, what are the new processes to authorize annual recovery of all reasonable Diablo Canyon extended operation costs and expenses on a forecast basis, including allocation of forecast costs among Commission-jurisdictional load-serving entities.

Issues of process regarding any PG&E cost recovery application for extended operations (e.g., structure of application, putting forward a forecast, the timing, etc.)^{4/} are largely uncontested.

Issues of cost allocation and rate design of the nonbypassable charge are disputed.

4. Whether additional cost recovery mechanisms, agreements, plans, and/or orders are needed prior to the current retirement dates for Diablo Canyon Units 1 and 2 (i.e., in 2024 and 2025, respectively).

^{4/} Contents of the proposed application are addressed in item #4 and the issue of surplus funds is addressed in item #6.

