

BEFORE THE PUBLIC UTILITIES COMMISSION OF
THE STATE OF CALIFORNIA



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Joint Application of Southern California Edison
Company (U 338-E) and San Diego Gas & Electric
Company (U 902-E) For the 2024 Nuclear
Decommissioning Cost Triennial Proceeding.

Application 24-12-003

PROTEST OF THE UTILITY REFORM NETWORK



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PROTEST OF THE UTILITY REFORM NETWORK

Pursuant to Rule 2.6 of the Commission Rules of Practice and Procedure, The Utility Reform Network (TURN) hereby submits this protest to the joint application of Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E)(*hereafter* “Joint IOUs”) for the 2024 Nuclear Decommissioning Cost Triennial Proceeding (NDCTP).¹

I. INTRODUCTION

The SCE/SDG&E application seeks approval of an updated 2024 Decommissioning Cost Estimate (DCE) of \$215 million (\$2014) for San Onofre Nuclear Generating Station (SONGS) Unit 1 and \$4.709 billion (\$2014) for SONGS 2&3.² The application also requests that the Commission find reasonable an estimate of \$632.1 million for the decommissioning of the Palo Verde Nuclear Generating Station (PVNGS).³ Additionally, the Joint IOUs identify more than \$523 million in recorded decommissioning spending between 2021-2023 that is subject to review in this case.

TURN is particularly concerned with the continued proposals of SCE and SDG&E to retain litigation proceeds received from the US Department of Energy despite no demonstration that these funds are needed to support reasonably foreseeable decommissioning costs. The testimony of both SCE and SDG&E is virtually empty of any justification for maintaining the approach authorized in D.24-08-001, assuming that no further evidence is required. The absence of any such demonstration in the current application fails to satisfy the test the Commission laid out in D.24-08-001 for continuing the diversion of DOE litigation proceeds to the trust funds. The proposal to stockpile excess funds in

¹ Since the application was noticed on the Daily Calendar on December 11, 2024, this protest is timely filed.

² Ex. SCE-04, pages 24, 50.

³ Ex. SCE-05, page 7.

the decommissioning trusts denies ratepayers the value of these proceeds for decades, severely diminishes the value of these proceeds, and represents a back-door rate increase that exacerbates affordability challenges faced by current ratepayers. Given the failure of the Joint IOUs to demonstrate any need for these funds, and the importance of ensuring that litigation proceeds are promptly returned to ratepayers, the Commission should reject this proposal and require SCE and SDG&E to refund future DOE litigation proceeds to ratepayers once they are received.

II. SCOPE OF ISSUES AND TURN'S EXPECTED PARTICIPATION

TURN has been an active party in SCE/SDG&E NDCTP proceedings over the past two decades. TURN intends to review, and may address in testimony and briefs, the following issues presented in this application:

- Reasonableness of the overall Decommissioning Cost Estimates for SONGS (Units 1, 2, 3) and Palo Verde Nuclear Generating Station.
- Reasonableness of 2021-2023 spending on completed decommissioning projects and undistributed expenditures at SONGS Units 1 (\$5.07 million in \$2014) and 2/3 (\$518.6 million in \$2014).
- Proposals to deposit US Department of Energy Litigation proceeds into the Non-Qualified Nuclear Decommissioning Trusts instead of providing direct and timely refunds to customers through credits to the Energy Resource Recovery Account (ERRA). TURN does not believe that SCE or SDG&E has justified the continuation of this practice as required in D.24-08-001.
- Revisions to the previously adopted milestone framework (renamed as a "reasonableness framework").

- Reasonableness of the proposed asset allocation glidepath, financial assumptions (including low-level radioactive waste burial costs), and updated trust fund return forecasts.
- Reasonableness of forecasted escalation rates.
- Compliance the requirements of the Settlement adopted in D.24-08-001.

TURN intends to participate by conducting discovery, participating in any workshops, preparing testimony, participating in settlement negotiations, attending evidentiary hearings, and filing briefs. TURN believes that hearings may be necessary given the contested issues of fact presented by the initial application.

III. PROPOSED SCHEDULE

While TURN does not object to the IOU schedule as proposed in the joint application, the Commission should be aware that the proposed date for supplemental testimony on DOE litigation proceeds is February 28 “or 30 days after DOE litigation proceeds are received, whichever is later.”⁴ This date may slip due to delays in receiving DOE litigation proceeds.

SCE’s testimony anticipates a decision on the Round 5 claim “by the end of 2024” followed by a potential appeal with proceeds being received “in 2025.”⁵ It is not clear whether SCE and SDG&E reasonably expect to receive DOE litigation proceeds by the end of January 2025, which would allow supplemental testimony to be submitted on February 28th. If DOE litigation proceeds are received after January, and the SCE/SDG&E supplemental testimony is submitted after February 28th, the Commission should authorize a day-for-day extension of the dates for intervenor testimony, rebuttal testimony, hearings, and

⁴ Joint IOU application, page 10, footnote 25.

⁵ Ex. SCE-7, page 8.

briefing.

TURN also notes that this schedule may need to be altered further depending upon the responsiveness of SCE and SDG&E to data requests. In past nuclear decommissioning proceedings, SCE routinely objected to most TURN data requests and declined to provide complete responses to many questions. If that pattern persists in this case, TURN will require additional time to complete discovery. TURN is willing to work with SCE, SDG&E and other active parties on the development of a schedule that accommodates all relevant interests.

Respectfully submitted,

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