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PRESS RELEASE

Docket #: I. 12-10-013

CPUC SEEKS COMMENTS FROM PARTIES ON SAN ONOFRE SETTLEMENT AGREEMENT

SAN FRANCISCO, May 9, 2016 - The California Public Utilities Commission (CPUC) today sought comment from parties on the San Onofre Nuclear Generating Station Settlement Agreement approved in 2014 that provided for resolution of rate recovery issues related to the premature shutdown of the plant following a steam generator tube leak on January 31, 2012.

A Ruling co-issued by the Commissioner assigned to the proceeding, Catherine J.K. Sandoval, and the Administrative Law Judge for the proceeding, Maribeth Bushey, re-opens the record of the proceeding and directs parties to assess whether the adopted Settlement Agreement is still reasonable in light of the record, consistent with the law, and in the public interest. Each party will then be able to comment on other parties' assessments.

In December 2015, the CPUC imposed a fine of \$16.7 million to Southern California Edison, majority owner of San Onofre, for failure to report ex parte communications that occurred between an Edison executive(s) and a former CPUC Commissioner. Said Commissioner Sandoval, "In light of our December 2015 penalty levied against Edison for failing to disclose ex parte communications relevant to this proceeding, it is prudent to review whether the settlement reached before those disclosures remains in the public interest and in accordance with our settlement rules. It is important to reopen the record and hear from the parties through their filings in the CPUC's proceeding."

In previous comments on the settlement, consumer advocates TURN and ORA estimated that the actual Settlement Agreement obtained between \$780 million and \$1.06 billion more for consumers than the terms of the ex parte discussions. Under the Settlement Agreement, ratepayers are receiving \$400 million in benefits from the settled insurance claim with Nuclear Electric Insurance Limited.

The Ruling also directs parties to comment on the Greenhouse Gas Research and Reduction Program portion of the Settlement Agreement. To the extent any party contends that the Research and Reduction Program fails to meet the CPUC’s standards for approving a settlement agreement, but that the overall Settlement Agreement does meet the standards, that party should also propose a remedy.

Today’s Ruling institutes a ban of all ex parte communications with all CPUC decision-makers and Advisors to Commissioners, including procedural communications.

The timeline for next steps is as follows:

EVENT	DATE
Edison files a Summary of Settlement Agreement, which will include a Status Report on Implementation of Settlement Agreement, and will specify and quantify all accounting and ratemaking actions taken to date, planned actions for 2016, and planned actions required for future years.	June 2, 2016
Parties file Opening Briefs assessing whether the Settlement Agreement meets CPUC standards for approving settlements.	July 7, 2016
Parties file Reply Briefs and procedural recommendations.	July 21, 2016

The Ruling is available at:

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=161670318>

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