

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



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Application of Pacific Gas and Electric Company for Authority, Among Other Things, to Increase Rates and Charges for Electric and Gas Service Effective on January 1, 2020.

Application 18-12-009
Filed: December 13, 2018

**RESPONSE OF THE COALITION OF CALIFORNIA UTILITY EMPLOYEES
IN SUPPORT OF PACIFIC GAS AND ELECTRIC COMPANY'S MOTION TO
STRIKE THE PREPARED TESTIMONY OF THE ALLIANCE FOR
NUCLEAR RESPONSIBILITY**

August 13, 2019

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Pursuant to Rule 11.1 of the Commission's Rules of Practice and Procedure, the Coalition of California Utility Employees ("CUE") submits this Response in Support of Pacific Gas and Electric Company's ("PG&E") Motion to Strike the Prepared Testimony of the Alliance for Nuclear Responsibility ("A4NR"). There are three reasons to strike A4NR's testimony: (1) it effectively seeks to change the date of Diablo Canyon's closure, which is not within the scope of this GRC, (2) the Commission has already decided when Diablo Canyon will close; and (3) the legislature has already decided when Diablo Canyon will close.

In 2016, PG&E filed an application to retire Diablo Canyon,¹ which was supported by a Joint Proposal from many parties including A4NR. The Joint Proposal provides for an orderly retirement of Diablo Canyon at the end of its Nuclear Regulatory Commission operating licenses in 2024 and 2025. The

¹ A.16-08-006.

Commission approved the planned retirement.² The Commission found that “the more prudent and conservative approach to balance this uncertainty tips against a shutdown before 2024 and 2025,” and that the “2024/2025 retirement schedule provides a reasonable amount of time for the transition process, including further examination of replacement procurement.”³ The legislature codified that retirement plan when it enacted SB 1090.⁴

Furthermore, the Commission and parties in the IRP proceeding relied on the Commission’s decision to retire Diablo Canyon in 2024/2025 for planning purposes.⁵ In the IRP proceeding, the Commission recently addressed concerns regarding replacement resources for Diablo Canyon and proposals for the Commission to allocate specific replacement procurement for the LSEs.⁶ The Commission held that,

[i]ncluding an assumption of the retirement date for Diablo Canyon in the analysis for each IRP cycle will allow the LSEs collectively to plan for the purchase of power in an orderly fashion to serve the load that was previously served by Diablo Canyon output. Each LSE is required to plan to serve their portion of that load in general, regardless of the planned retirement of any particular power plant.⁷

In short, the Commission has found in the IRP that to ensure capacity and reliability, Diablo Canyon must remain in operation until its planned 2024/2025 retirement.

² D.18-01-022, p. 15; D.19-04-040, p. 165.

³ D.18-01-022, p. 15.

⁴ Pub. Util. Code § 712.7.

⁵ D.19-04-040, p. 14.

⁶ *Decision adoption Preferred System Portfolio and Plan for 2017-2018 Integrated Resource Plan Cycle*, (D.19-04-040), May 1, 2019.

⁷ D.19-04-040, p. 149.

Despite having supported PG&E's application to retire Diablo Canyon when its operating licenses expire, the Commission approving that application and the legislature codifying PG&E's closure plan, A4NR now wants to relitigate the Commission's decisions and the Public Utilities Code. A4NR could challenge the Commission's decision to retire Diablo Canyon in 2024/2025 with a petition to modify the decision but its attempt to relitigate the Commission's decision in this GRC is improper.

A4NR argues in its testimony that the revenue requirement for the forecast capital and O&M costs for Diablo Canyon should be excluded based on conditions that have materially changed since the Commission approved Diablo Canyon's 2024/2025 retirement. Specifically, A4NR argues that Diablo Canyon should be shut down prior to 2024/2025 because PG&E has lost a significant number of bundled customers, the number of renewables on the CAISO grid has significantly increased leading to curtailment, and Diablo Canyon PCIA charges are too high. A4NR's arguments are nonsense. The purportedly changed conditions are just what was projected when PG&E filed its application to retire the plant. Indeed, they are the very reasons that PG&E decided to retire the plant. There is nothing new here except A4NR's buyer's remorse. A4NR made a deal, and the legislature and Commission ratified that deal.

The Commission should not entertain A4NR's attempt to change the date of Diablo Canyon's closure which the Commission and legislature have already

decided. A4NR's testimony is outside the scope of this GRC. The Commission should strike ANR's testimony.

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Respectfully submitted,

/s/

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