



FLOOR ALERT

OPPOSE – SB 846 (Dodd) Unnecessary extension of Diablo Canyon Nuclear Power Plant

It's too risky and many critically important questions remain unanswered

We urge the legislature to reject the eleventh-hour bill, SB 846 (Dodd), the administration's proposal to extend the operating life of the Diablo Canyon Nuclear Power Plant (DCPP) in flagrant violation of a long-standing agreement endorsed almost unanimously by the legislature in 2018 (SB 1090). A decision of this magnitude cannot be rushed in the final few days of session with minimal opportunities for public comment and no chance for deliberation by the policy committees of the legislature. SB 846 must be rejected for the following reasons:

- **SB 846 gives PG&E \$1.4 billion in taxpayer dollars with no clarity on whether and how the money would be repaid. The bill also guarantees PG&E an additional \$1.35 billion per year in payments from Californians' utility bills (including those of non-PG&E customers).**
 - The allocation of taxpayer dollars to PG&E is spread across all IOU and CCA customers, therefore a majority of Californians would pay to keep Diablo running, not only those in PG&E's service territory.
 - The administration is presumably rushing this proposal so that PG&E can apply for federal subsidies under the Infrastructure Investment and Jobs Act (IIJA). But the letter of the law conditions that funding on a plant being "economically distressed." DCPP is not an economically distressed plant and is earning a profit, therefore **the availability of any federal funding is seriously in doubt.**
 - The bill directs the CPUC to reopen A.16-08-006 (the proceeding that approved PG&E's retirement plan), reverse the decision approving the retirement, and within 120 days directs PG&E to take "all actions necessary" to operate Diablo past the expiration of the current licenses. (§712.8(c)(1)(A)).
 - Additionally, the bill drives up profits for PG&E shareholders and protects them against any liability. **PG&E could mismanage the plant, even commit gross negligence, and still be**

held harmless under a wide range of outcomes. These protections are totally unjustified considering the huge incentives that PG&E shareholders would be guaranteed.

- **Makes unprecedented exemptions from environmental review, including for once through cooling**
 - SB 846 would exempt continued operation of the existing once-through-cooling facilities at Diablo Canyon from any environmental review under the California Environmental Quality Act (CEQA).
 - Expedites environmental review of all permits, leases, licenses, certifications, concurrence, plans, decisions, approvals or applications to a state agency and requires that any necessary state agency actions be completed within 180 days.
 - Categorically exempts from CEQA the Diablo Canyon powerplant site, and all structures, buildings, and equipment necessary to extend operations.
 - Exempts the loan agreement between DWR and PG&E from CEQA.

- **Fails to prioritize tools that can address electricity reliability in a cost-effective and flexible manner**
 - California should have a plan to invest in clean energy and storage to increase grid reliability without it being tied to something risky and potentially very harmful to communities and ratepayers. Having two distinct reliability approaches tied to each other in one bill has meant California is taking an all-or-nothing approach to reliability and puts us in an even more vulnerable position.
 - While the administration claims it will continue to prioritize renewable energy, efficiency and demand response, there are workload and funding challenges with simultaneously pursuing a DCCP extension and renewable energy development, in addition to all of the other responsibilities of the CEC and CPUC.
 - During the energy crisis of 2000-01, Californians reduced electricity use by 12 percent (the equivalent of 4800 megawatts) in just a few months. That's more than double Diablo's share of the latest heat-driven 60+-GW demand estimate but takes a dedicated and focused effort to execute.

Environmental groups, energy experts and consumer advocates agree: the proposal to extend the life of DCCP is risky, expensive, and unnecessary.

We urge you to vote "NO" on SB 846