

IMPEDIMENTS TO LICENSE RENEWAL FOR DIABLO CANYON....

California Independent System Operator (CAISO) has concluded that Diablo Canyon is:

- **NOT NEEDED FOR THE GRID...**
The California ISO has stated that the electric grid would operate reliably in the event of a shutdown of Diablo Canyon...Diablo Canyon most likely will not be critical in meeting California GHG goals.¹
- **NOT NEEDED TO MEET CLIMATE CHANGE GOALS...**
The *Pathways Study* by E3 shows that Diablo Canyon is not needed to meet California's GHG goals...and assumes in the reference case that Diablo Canyon would not be relicensed.²
- **DIABLO'S INFLEXIBLE "BASELOAD POWER" HINDERS RENEWABLES...**
The California ISO has expressed its concern that overgeneration conditions will occur with increasing frequency as a result of the greater number of renewable resources connected to the grid...PG&E stated that Diablo Canyon is unable to provide load following services due to safety and operations provisions that are based on 100 percent power operations.³

The State Water Resources Control Board Subcommittee on Nuclear Power Plants and Once Through Cooling (OTC) has declared:

- **DIABLO SHOULD NOT BE EXEMPTED FROM OTC PROHIBITION...**
The Subcommittee of the Review Committee for Nuclear Fueled Power Plants (the Subcommittee) finds that there is no basis for an exemption from the once-through-cooling (OTC) Policy for Diablo Canyon Power Plant (Diablo Canyon).⁴

The State Lands Commission's pending decision on the extent of a CEQA analysis required to renew or extend the DCNPP outfall leases beyond 2019:

- **ANY DIABLO LEASES WILL REQUIRE LANDS COMMISSION SCRUTINY...**
Staff continues to expect developments over the next year relating to the operation, permits, and licensing of the DCP that could inform any decision the Commission may make on this lease application. Additionally, staff continues to evaluate the appropriate environmental review pursuant to CEQA for this application.⁵

¹ Planning Assumptions Update and Scenarios for use in the CPUC Rulemaking R.13-12-010 and the CAISO 2015-16 Transmission Planning Process, March 4, 2015.

² Energy+Environmental Economics (E3), 2015, *Summary of the California State Agencies' PATHWAYS Project: Long-term Greenhouse Gas Reduction Scenarios*, https://ethree.com/public_projects/energy_principals_study.php

³ PG&E Comments: August 5, 2015. http://docketpublic.energy.ca.gov/PublicDocuments/15-IEPR12/TN205641_20150805T174531_Valerie_Winn_Comments_Pacific_Gas_and_Electric_Company_Suppleme.pdf, p. 1.

⁴ Subcommittee Comments on Bechtel's Assessment of Alternatives to Once-Through-Cooling for Diablo Canyon Power Plant, SWRCB, November 18, 2014, p.1.

⁵ "Informational Update Regarding application of the California Environmental Quality Act to consider a general lease—industrial use for a cooling water discharge channel... at the Diablo Canyon Power Plant...", February 9, 2016, p.1.

The CPUC mandated Independent Peer Review Panel (IPRP) overseeing the seismic studies at Diablo Canyon finds many seismic questions remain unanswered:

- ***PG&E's SEISMIC DATA AND ANALYSIS ARE INSUFFICIENT...***
IPRP previously expressed its concern regarding the adequacy of using only two earthquakes in estimating the site-specific term and made recommendations to gain confidence in the PG&E site-specific approach...PG&E has not addressed these recommendations.⁶

IPRP is not confident that the 7-km deep 1D site response analysis would be applicable to the DCPD site because of complicated 3D geological conditions beneath the site...For these reasons, we do not put much faith in the relatively good agreement between empirical and analytical site factors at high frequencies.⁷

CPUC President Michael Picker sent PG&E a list of 18 questions to be answered before the state could consider funding license renewal for Diablo Canyon. The California Energy Commission wants to start seeing answers sooner than later:

- ***Provide updates on compliance with CPUC President Picker's itemized list.***
CPUC President Picker provided a lengthy list of compliance items to be completed by PG&E as part of any funding request for the relicensing application process. PG&E should provide status reports on these compliance items to the Energy Commission and the CPUC on an annual or quarterly basis, as appropriate.⁸

PG&E Corporation still facing numerous federal indictments and a possible April 2016 trial date for obstruction of justice regarding gas explosion that killed 8 in San Bruno:

PG&E was indicted last April on charges that it had repeatedly failed to maintain accurate records about its natural gas pipelines.... The charges, which carry fines of up to \$500 million, arose from the September 2010 explosion of a gas pipeline in San Bruno that killed eight people and destroyed 38 homes.⁹

PG&E's stance on license renewal, in the words of their CEO, Tony Earley:

- “We’ve got a lot on our plates, and we just don’t need to take on another big public issue right now...”
- “We’re doing the preliminary work we need to do,” he said. “I have not gone to the board of directors and said, ‘Full speed ahead.’”
- “Nuclear in California is a sensitive issue, so we’ve got to consider all options,”¹⁰

⁶ Independent Peer Review Panel Report #9, March 6, 2015, P. 15.

⁷ Independent Peer Review Panel, Report #10, December 4, 2015, p.8.

⁸ 2015 Integrated Energy Policy Report, California Energy Commission, January 27, 2016, p. 244.

⁹ Egelko, Bob, “Judge gives PG&E a 3-week delay in San Bruno blast trial,” San Francisco Chronicle, March 7, 2016.

¹⁰ Baker, David, Nuclear Power’s Last Stand in California, San Francisco Chronicle, November 14, 2015