

## DOCKETED

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<b>Filer:</b>	Laura Laurent
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**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298

May 27, 2015

Mr. Christopher Johns  
President  
Pacific Gas and Electric Company  
77 Beale Street  
San Francisco, CA 94105

Re: Diablo Canyon License Extension

Dear Mr. Johns:

On February 18, 2014, then-CPUC President Michael Peevey sent a letter to you as President of Pacific Gas and Electric Company (PG&E) regarding the need to ensure that we thoroughly evaluate the overall economic and environmental costs and benefits of a license extension for Diablo Canyon Power Plant (DCPP), given the plant's geographic location and seismic hazard zone.

As a follow-on to that letter, I would like to remind PG&E that as explained in the previous letter on February 18, 2014, review and approval of PG&E's request for ratepayer funding related to license extension of DCPP at the California Public Utilities Commission (CPUC) will involve a thorough assessment of the cost-effectiveness of the license extension for Diablo Canyon considering the plant's reliability and safety especially in light of the plant's geographic location regarding seismic hazards and vulnerability assessments. Accordingly, as part of seeking any requests for ratepayer funding from the CPUC, PG&E must submit a cost effectiveness study for license extension of DCPP. As part of this evaluation, PG&E should report on its progress in implementing any recommendations contained in the 2013 and the pending 2015 California Energy Commission's (CEC) Integrated Energy Policy Reports (IEPR) as related to nuclear issues affecting Diablo Canyon.

Among other things, PG&E's study should include the following to enable the CPUC to perform a thorough review of the implications of the license extension for reliability and safety of the plant and the costs and benefits of extended operation of DCPP:

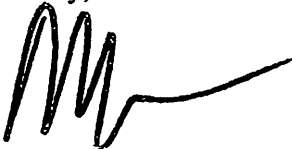
1. Report on the major findings and conclusions from DCPP's enhanced seismic studies including the 2-D and 3-D surveys in the vicinity of Diablo Canyon as contained in the Central Coastal California Seismic Imaging Project report dated September 2014, and report on the implications of these findings and conclusions for the long-term seismic vulnerability, seismic risk evaluations, and reliability of the plant.

2. A discussion of each of the comments and recommendations of the Independent Peer Review Panel (IPRP Reports 7, 8 and 9) on the Central California Seismic Imaging Project, and PG&E's proposals for continued engagement with these groups to resolve all outstanding issues.
3. A summary of the lessons learned from the Fukushima event with a discussion of any implications that PG&E evaluated that could affect Diablo Canyon, including potential expansion and maintenance of emergency planning zones.
4. Reassessment of the adequacy of access roads to DCPD and surrounding roadways for allowing emergency personnel to reach the plant and for local communities and plant workers to evacuate. This assessment needs to consider today's local population and not rely on the past situation when the plant was constructed.
5. Assessment of the adequacy of liability coverage in the event of a major event or potential release of large off-site release of radioactive materials.
6. Assessment of low and high-level waste disposal costs for waste generated through a 20-year plant license extension, including the low and high-level waste disposal costs for any major capital projects that might be required during this period, such as replacement of steam generators or high pressure turbines. This should include PG&E's plans and associated costs for storage and disposal of low-level waste and spent nuclear fuel through decommissioning of DCPD.
7. A review and response to the comments of the SONGs Citizen Engagement Panel on the SCE decommissioning plan and the implications if any for Diablo Canyon decommissioning.
8. Alternative spent fuel management schemes to expeditiously transfer spent nuclear fuel assemblies from the wet spent fuel pool to dry casks in the Independent Spent Fuel Storage Installation (ISFSI). PG&E should consider isolating the spent fuel pool to eliminate the need for using Pacific Ocean seawater for cooling the spent fuel pool system. PG&E should also include information demonstrating sufficient space for all spent fuel (fuel consumed if Diablo Canyon was relicensed) to be kept on site in the ISFSI and also all assessments of the lifetime of the dry casks.
9. An evaluation of the structural integrity of the concrete and reinforcing steel in the spent fuel pools, including any increased vulnerability to damage resulting from a seismic event, and an assessment of any radiological impacts from any prior leakages.
10. Alternative power generation options to quantify the reliability, economic and environmental impacts of replacement power options.
11. At the 2015 IEPR nuclear workshop there was a discussion of potential over generation issues on the PG&E power system and potential cycling of the Diablo Canyon units as a means of mitigating these issues. PG&E should include detailed studies of the costs and benefits of such cycling particularly any safety implications and the assessment of such cycling by the Diablo Canyon Independent Safety Committee including PG&E's responses to these studies.
12. The potential costs associated with mitigation or alternatives to the use of once-through-cooling at DCPD for compliance with requirements imposed by the California Water Resources Control Board. PG&E should provide any assessments of the Diablo Canyon Independent Safety Committee of the implications of such alternatives, and PG&E's proposals to address their concerns.
13. All studies of the tsunami risks at Diablo Canyon, and PG&E's assessment of the potential risks from tsunamis.
14. All studies of the pressure vessel embrittlement issues.

15. If there has been any recent downgrades of PG&E by INPO, discuss reasons for such downgrade.
16. Status of PG&E's responses to the formal recommendations of the Diablo Canyon Independent Safety Committee in its 21st and 23rd Annual Reports.
17. The status of litigation concerning PG&E's alleged violations by the NRC Resident Inspector of the Seismic Design requirements in its operating license. When does PG&E believe this litigation will be resolved? What is the magnitude of the expenditures PG&E expects to have incurred before this resolution.
18. Include PG&E's responses and any actions taken as recommended by the CEC in their 2013 and pending 2015 IEPRs to any nuclear issues related to DCP.

I would like to assure you that the safety at nuclear power plants in the state is of paramount concern to the CPUC. This Commission is obligated to address the above itemized issues related to any proposals for DCP's license extension. The Commission would not be able to adequately and appropriately exercise its authority to fund and oversee DCP's license extension without these issues being fully developed. Therefore, it is imperative that these issues be addressed by PG&E as part of the submittal of any application seeking ratepayer funding related to license extension of the DCP.

Sincerely,



Michael Picker  
President

cc: Commissioner Catherine Sandoval  
Commissioner Liane Randolph  
Commissioner Michel Florio  
Commissioner Carla Peterman  
Executive Director Timothy Sullivan  
CEC Chair Robert B. Weisenmiller