

DOCKETED

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Comment Received From: Valerie Winn

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Pacific Gas and Electric Company_Scoping Order Comments

Additional submitted attachment is included below.

February 16, 2017

**SUBMITTED ELECTRONICALLY TO
DOCKET 17-IEPR-01**California Energy Commission
Dockets Office, MS-4
Re: Docket No. 17-IEPR-01
1516 Ninth Street
Sacramento, CA 95814-5512**Re: 2017 Integrated Energy Policy Report (IEPR) - Comments of Pacific Gas and Electric Company in Response to the Alliance for Nuclear Responsibility's February 10, 2017 Letter on IEPR Scope Issues**

Pacific Gas and Electric Company (PG&E) appreciates the opportunity to provide comments responding to issues raised by the Alliance for Nuclear Responsibility (A4NR) in its February 10, 2017 comments on the California Energy Commission's (CEC) Draft Scoping Order for the 2017 IEPR.

PG&E respectfully requests that the CEC decline A4NR's request to hold an additional IEPR workshop to examine the status of PG&E's compliance with a decision issued by the California Public Utilities Commission (CPUC). Specifically, the CPUC ordered that in PG&E's 2017 General Rate Case (GRC), PG&E should include "a satisfactory plan to comply with CEC recommendations regarding the transfer of spent fuel to dry cask storage in its AB 1632 Report."¹

The CEC should not hold the requested workshop for the following reasons:

1) PG&E complied with the CPUC's order by addressing its plan to comply with the CEC's recommendation as part of PG&E's 2017 GRC.² In response, A4NR provided testimony challenging the adequacy of PG&E's plan and PG&E disputed A4NR's contentions in its rebuttal testimony.³

¹ CPUC Decision (D.) 14-08-032, p. 413.

² See Exhibit PG&E-5, Testimony of Cary Harbor on Nuclear Operations, served in CPUC Application (A.) 15-09-001, at pp. 3-45 to 3-46 and supporting Workpapers, pp. WP 3-291 to WP 3-294.

³ See Exhibit PG&E-24, Rebuttal Testimony of Cary Harbor on Nuclear Operations, served in CPUC A.15-09-001, at pp. 3-25 to 3-28.

Regardless of the merits of the dispute, on August 3, 2016, A4NR entered into a settlement with PG&E and 13 other parties resolving all of A4NR's disputed issues in the GRC. The Settlement Agreement specifically addressed the issue of whether PG&E adequately addressed the CEC's recommendations on transfer of spent fuel, provided that PG&E conducts a study for post-shutdown expedited transfer of spent fuel assemblies as part of its Diablo Canyon site-specific decommissioning study, as called for in the separate Joint Proposal announced in June 2016 calling for the retirement of the DCCP facility.⁴ A4NR reserved the right to contest recovery of costs related to spent fuel handling and storage to the extent PG&E fails in the future to conduct the studies called for in the Joint Proposal and coordinate with the CEC.⁵ Section 5.1 of the settlement further provided, "As a compromise among their respective litigation positions, the Settling Parties hereby agree that this Agreement resolves all disputed issues raised in this proceeding, except those set forth in Article 4 of this Agreement [i.e., pertaining to a third post-test year and provisions on gas leak management]."⁶

Accordingly, A4NR's request should be denied because the GRC Settlement Agreement resolves any disputed issues with respect to PG&E's compliance with the CPUC's prior order on this issue. PG&E notes that while A4NR reserved the right in the future to contest the adequacy of PG&E's compliance with the settlement agreement, the site-specific decommissioning plan in which PG&E has agreed to provide a study on spent fuel transfer will not be filed until the 2018 Nuclear Decommissioning Cost Triennial Proceeding at the CPUC is initiated, and therefore PG&E has not yet had an opportunity to demonstrate its compliance with the 2017 GRC settlement agreement.

2) Notwithstanding the fact that by entering into the Settlement Agreement, A4NR has indicated it has resolved the disputed issues, PG&E is pleased to report that, following the 2016 refueling outages, PG&E has achieved minimum levels in both spent fuel pools. There is no need to hold a workshop on how PG&E is going to achieve minimum levels and comply with the CPUC request, given the compliance work is now complete.

3) Finally, PG&E notes that Section 1.4 of the Diablo Canyon Joint Proposal does not constrain or limit in any way A4NR from raising safety or compliance issues at the Nuclear Regulatory Commission or other agencies. However, the issue that A4NR raises here involves compliance with a CPUC order in the 2014 GRC. The proper forum to raise this issue is at the CPUC, where it was in fact raised in the 2017 GRC proceeding and resolved through execution of the Settlement Agreement. Both as a matter of jurisdiction and public policy, the CEC should not, and need not, hold workshops on compliance with another agency's directives, especially when that issue is already being addressed in an active proceeding at the other agency.

⁴ See Joint Motion for Settlement, filed August 3, 2016, in CPUC A.15-09-001, Settlement Agreement Section 3.2.3.1.3, p. 1-21.

⁵ *Ibid.*

⁶ See Joint Motion for Settlement, filed August 3, 2016, in CPUC A.15-09-001, Settlement Agreement Section 5.1, pp. 1-34 to 1-35.

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For the above reasons, PG&E asks that the CEC deny A4NR's request for a workshop on this topic.

Sincerely,

/s/

Valerie J. Winn