

APPENDIX A

Settlement Agreement



FILED

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

Application of Pacific Gas and Electric
Company for Authorization to Establish the
Diablo Canyon Decommissioning Planning
Cost Memorandum Account

U 39 E

Application No. 18-07-013

(Filed July 16, 2018)

Application of Pacific Gas and Electric
Company in the 2018 Nuclear
Decommissioning Cost Triennial Proceeding

Application No. 18-12-008

**JOINT MOTION FOR ADOPTION OF SETTLEMENT AGREEMENT
AMONG PACIFIC GAS AND ELECTRIC COMPANY (U 39 E),
THE UTILITY REFORM NETWORK, PUBLIC ADVOCATES OFFICE AT THE
CALIFORNIA PUBLIC UTILITIES COMMISSION, ALLIANCE FOR NUCLEAR
RESPONSIBILITY, COUNTY OF SAN LUIS OBISPO, yak tityu tityu yak tilhini
NORTHERN CHUMASH CULTURAL PRESERVATION KINSHIP
AND WOMEN'S ENERGY MATTERS**

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January 10, 2020

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I. INTRODUCTION AND REQUEST FOR COMMISSION ACTION

Pursuant to Rule 12.1 of the California Public Utilities Commission (Commission or CPUC) Rules of Practice and Procedure, The Utility Reform Network (TURN), Public Advocates Office at the California Public Utilities Commission (Public Advocates Office), Alliance for Nuclear Responsibility (A4NR), County of San Luis Obispo (SLO County), Women’s Energy Matters (WEM), yak tityu tityu yak tilhini Northern Chumash Cultural Preservation Kinship (YTT Kinship) and Pacific Gas and Electric Company (PG&E) (collectively, the Settling Parties) hereby jointly request that the Commission approve the Settlement Agreement, which is included as an Attachment to this Motion. The Settlement Agreement reflects compromise among the Settling Parties’ litigation positions to resolve all disputed issues the Settling Parties raised in this proceeding. All proposals and recommendations by the Settling Parties inconsistent with the terms and conditions of the Settlement Agreement

are either withdrawn or considered subsumed without adoption by the Settlement Agreement.

II. INTERESTS OF SETTLING PARTIES

The Settling Parties represent a variety of interests. PG&E represents the interests of its customers and shareholders. Public Advocates Office advocates on behalf of all consumers. TURN represents the interests of residential customers. A4NR represents the interests of consumers concerned about the cost and safety of PG&E's nuclear operations. SLO County represents the interest of its constituents in the political jurisdictions surrounding Diablo Canyon and is responsible for operational area emergency response. YTT Kinship represents the interests of a tribe of indigenous Northern Chumash people from the San Luis Obispo County region with a longstanding obligation of protecting and preserving Northern Chumash cultural resources. Women's Energy Matters represents the perspectives of residential customers, particularly women and low-income customers.

III. PROCEDURAL HISTORY

On July 16, 2018, PG&E filed the Application for Authorization to Establish the Diablo Canyon Decommissioning Planning Memorandum Account (DCDPMA), A.18-07-013 ("Memo Account Application"). TURN served a Protest to A.18-07-013 on August 15, 2018. On August 30, 2018, PG&E, TURN, Public Advocates Office, and A4NR submitted a Joint Prehearing Conference Statement in advance of the Prehearing Conference, which was held on September 7, 2018. At the Prehearing Conference, PG&E agreed to submit a request for exemption from the U.S. Nuclear Regulatory Commission (NRC) to allow PG&E to access the nuclear decommissioning trust for decommissioning planning expenditures of \$187.8 million ("Request for Exemption") on or before the date it filed the 2018 NDCTP Application.¹ Assigned Commissioner Picker issued a Scoping Memo and Ruling on October 11, 2018 delineating the subject matter to be addressed in PG&E's Memo Account Application and in PG&E's 2018 NDCTP application.² On October 15, 2018, PG&E hosted a workshop for all parties to address

¹ Prehearing Conference, September 9, 2018, Transcript, p. 8, lines 13-17.

² Assigned Commissioner's Scoping Memo and Ruling dated October 11, 2018, pp. 1-8.

more specifically the types of costs PG&E would record in the proposed DCDPMA if authorized by the Commission. TURN and PG&E served opening comments on issues presented in the Scoping Memo and Ruling on November 15, 2018 and reply comments on November 29, 2018.

On December 13, 2018, PG&E filed the Application of Pacific Gas and Electric Company in the 2018 Nuclear Decommissioning Cost Triennial Proceeding, A.18-12-008 (“2018 NDCTP Application”). PG&E submitted its Request for Exemption on the same day.³ On February 6, 2019, ALJ Houck issued a ruling in the Memo Account Application directing parties to submit additional information and deferring a decision on the Memo Account Application until after a determination by the NRC on PG&E’s Request for Exemption. On March 7, 2019, PG&E requested that the Commission consolidate the Memo Account Application and the 2018 NDCTP Application. The Assigned Commissioner issued a ruling consolidating the Applications on the same day.

The Public Advocates Office, TURN, A4NR, SLO County and WEM all filed timely protests or responses to PG&E’s 2018 NDCTP Application, to which PG&E responded on January 29, 2019. Donald Korn & Associates and James Adams requested and were granted party status at the Prehearing Conference.⁴ The Commission held the Prehearing Conference on February 6, 2019, and issued the Assigned Commissioner’s Scoping Memo and Ruling on February 14, 2019.

On March 15, 2019, PG&E served supplemental testimony addressing PG&E’s spent fuel management plan and issues raised by members of the public identified in the March 7 Assigned Commissioner’s Scoping Memo and Ruling. On April 15, 2019, PG&E served supplemental testimony providing further information and clarification regarding decommissioning planning costs PG&E planned to record in the DCDPMA if authorized to do so as directed in the February 6 ALJ Ruling in the Memo Account application. At the start of April 2019, PG&E presented workshops addressing how PG&E developed the DCE and the Milestone Framework.

³ See Exhibit PG&E-15.

⁴ Prehearing Conference, February 6, 2019, p. 5 and p. 9, respectively.

Another workshop, this one addressing spent fuel management, was held by PG&E and the California Energy Commission on May 4, 2019. On April 16, 2019, YTT Kinship requested party status. Party status was granted on June 5, 2019. The San Luis Obispo Mothers for Peace (SLOMFP) was granted party status on June 4, 2019. On July 17, 2019, PG&E hosted a site tour of Humboldt Bay Power Plant Unit 3 in Eureka, CA. Californians for Green Nuclear Power (CGNP) was granted party status on August 2, 2019.

The Public Advocates Office and intervenors conducted extensive discovery from January 2019 through mid-September 2019. These parties actively and thoroughly reviewed PG&E's 2018 NDCTP Application, supporting testimony and site-specific decommissioning cost estimate. To enhance their understanding of the issues, parties submitted, and PG&E responded to, 410 data requests, excluding subsets of questions. The Public Advocates Office and intervenors served testimony on July 15, 2019. On August 7 and 8, 2019, the Commission held public participation hearings addressing the 2018 NDCTP Application in San Luis Obispo, CA. On August 15, 2019, PG&E served rebuttal testimony addressing issues raised by the parties who filed testimony on July 15, 2019.

By letter dated September 10, 2019, the NRC granted PG&E's request for exemption, allowing PG&E to access \$187.8 million in funding from the Diablo Canyon nuclear decommissioning trust. The Commission held evidentiary hearings September 23-25, 2019. On October 2, 2019, ALJ Houck issued a ruling amending the procedural schedule and requiring additional information. Pursuant to that ruling, on October 4, 2019, PG&E served updated testimony with revisions to the revenue requirement reflecting the fact that the DCDPMA requested in the Memo Account Application was no longer necessary and revising the requested revenue requirement related to the Diablo Canyon DCE to be collected solely through the nuclear decommissioning trust. Also in response to the October 2 ALJ ruling, SLO County served testimony on October 10, 2019 addressing its position on and efforts associated with repurposing the breakwaters on Diablo Canyon lands.

On October 11 and October 17, 2019 respectively, the proceeding was re-assigned from

ALJ Houck to ALJ Haga and from Commissioner Picker to Commissioner Batjer. On October 24, 2019, PG&E and TURN requested a suspension of the procedural schedule in order to allow parties to continue productive settlement discussions. ALJ Haga granted that request on November 14, 2019. Having reached agreement in principle, PG&E, TURN, the Public Advocates Office, A4NR, WEM, SLO County and YTT Kinship served a Notice of Settlement Conference on December 13, 2019 and held a settlement conference on December 20, 2019. At the Settlement Conference, Donald Korn, representing DHK Associates, indicated support for the Settlement Agreement. James Adams, CGNP and SLOMFP signaled opposition to the Settlement agreement, while Southern California Edison Company took no position.

IV. SUMMARY OF SETTLING PARTIES' LITIGATION POSITIONS

The following subsections summarize the various Settling Parties' litigation positions.

A. PG&E's Position

PG&E's litigation position would result in a site-specific decommissioning cost estimate (DCE) of \$4.802 billion for Diablo Canyon recovered through the Nuclear Decommissioning non-bypassable charge (ND NBC) over 5 years (Unit 1 and Pre-shutdown planning activities 2020-2024) or 6 years (DCPP Unit 2 2020-2025).⁵

For HBPP, PG&E's litigation position would result in a DCE for HBPP of \$1.111 billion with a cost to complete of \$182.5 million and \$400 million approved as reasonable expenditures on decommissioning activities.⁶

B. TURN's Position

TURN's litigation position would result in no increase to the funding levels adopted in PG&E's 2015 NDCTP for DCPP decommissioning, in which the Commission rejected PG&E's requested increase and maintained its prior-approved DCE of \$2.7 billion as a reasonable DCE for Diablo Canyon.⁷ TURN characterizes PG&E's 2018 DCPP DCE as a "highest cost, worst

⁵ Exhibit PG&E-1, pp. 1-2 to 1-6.

⁶ Exhibit PG&E-1, pp. 1-7 to 1-8.

⁷ Exhibit TURN-1, pp. 2-7 and Exhibit TURN-2, p. 2.

case estimate” and points to disparities with estimates for other comparable nuclear facilities.⁸ TURN specifically challenges PG&E’s assumptions in the following areas: decommissioning planning, waste disposal escalation rate, in-state versus out-of-state waste disposal, repurposing, spent fuel management cost relationship with Department of Energy litigation proceeds, the recovery of DCE preparation costs, and PG&E’s trust asset allocation/glide path.⁹ TURN also criticized the methods used by PG&E to estimate decommissioning costs and its failure to consider potential savings associated with various contracting arrangements that would result from a competitive solicitation process.¹⁰ Finally, TURN requested revisions to PG&E’s proposed Milestone Framework.¹¹

As an alternative position, TURN asserted that any additional trust contributions approved by the Commission should be held in a non-qualified trust, which would allow earlier refund to customers of any excess decommissioning funds collected in customer rates.¹²

TURN found reasonable PG&E’s updated HBPP DCE and recovery of \$400 million for decommissioning activities at HBPP.¹³

C. Public Advocates Office Position

The Public Advocates Office litigation position would reduce PG&E’s proposed Diablo Canyon DCE by \$991.5 million as follows:

- \$626 million program management and fees
- \$286 million costs to remove and dispose of the breakwater
- \$45.6 million pre-2020 decommissioning planning costs
- \$34 million security costs¹⁴

The Public Advocates office did not oppose PG&E’s updated HBPP DCE or recovery of

⁸ Exhibit TURN-1, pp. 10-24.

⁹ Exhibit TURN-1, pp.2-7 and Exhibit TURN-2, pp. 9-15.

¹⁰ Exhibit TURN-2, pp. 1-9.

¹¹ Exhibit TURN-1, p. 50.

¹² Exhibit TURN-1, p. 16; Exhibit TURN-2, p. 2.

¹³ Exhibit TURN-2, p. 3.

¹⁴ Exhibit Cal Advocates-1, p. 3.

\$400 million for decommissioning activities at HBPP.¹⁵

D. A4NR's Position

A4NR's litigation position would reduce PG&E's proposed Diablo Canyon DCE by \$509-\$619 million based on a shorter wet storage cooling period for spent nuclear fuel.¹⁶ Related to this proposed reduction, A4NR challenged as inadequate PG&E's interaction with the California Energy Commission on expedited transfer of spent nuclear fuel from wet to dry storage.¹⁷

A4NR took no position PG&E's updated HBPP DCE or recovery of \$400 million for decommissioning activities at HBPP.

E. SLO County Position

SLO County's litigation position supports PG&E's request and DCE of \$4.802 billion to restore the DCPD site to its original condition.¹⁸

SLO County took no position on PG&E's updated HBPP DCE or recovery of HBPP decommissioning costs.

F. YTT Kinship Position

Through data requests and participation in public participation hearings for this proceeding held in San Luis Obispo (SLO), YTT set forth a litigation position that would increase PG&E's proposed Diablo Canyon DCE by an amount sufficient for PG&E to perform genealogical studies sufficient to determine which California Native American Tribe(s) is traditionally and culturally affiliated with the Diablo Canyon lands.¹⁹

G. WEM's Position

Through its Protest to PG&E's application, data requests, testimony, and cross examination of witnesses at evidentiary hearings, WEM set forth a litigation position that took

¹⁵ Exhibit CalAdvocates-1, pp. 2-3.

¹⁶ Exhibit A4NR-1, p. 3.

¹⁷ Exhibit A4NR-1, p. 33.

¹⁸ Exhibit SLO-1, p. 2.

¹⁹ See generally, Exhibits YTT-1, YTT-2 and YTT-3.

issue with PG&E's management of spent fuel at Diablo Canyon and its pre-shutdown site characterization efforts. WEM questioned the retirement dates for Diablo Canyon Units 1 and 2, noting that PG&E could decide to retire the plant early based on declining need, deteriorating economics and new assumptions about the useful life of the plant. WEM argued this would save money and expedite transfer of spent nuclear fuel out of the spent fuel pools.²⁰

WEM attended the HBPP site tour, submitted data requests regarding HBPP decommissioning expenditures and did not oppose PG&E's updated DCE or recovery of \$400 million for HBPP decommissioning activities.

V. SUMMARY OF THE SETTLEMENT TERMS AND CONDITIONS

The settlement terms and conditions, presented in Section II of the Settlement Agreement, establish the Settling Parties agreement not to challenge in this proceeding the reasonableness of an adjusted 2018 DCPD DCE of \$3,899,145,000 (\$2017) and a resulting annual revenue requirement of \$112.5 million recovered over 8 years (2020-2027).²¹

A. Diablo Canyon DCE and Revenue Requirement Adjustments

The Diablo Canyon DCE of \$3,899,145,000 (\$2017) reflects the following reductions:

- \$300 million related to a reduced spent nuclear fuel cooling period in wet storage;
- \$200 million related to general repurposing, subject to regulatory approvals;
- \$400 million related breakwater repurposing, subject to regulatory approvals;
- \$3 million related to PG&E's membership in INPO, NEI and EPRI; and
- \$250,000 related to costs to prepare the DCPD DCE, which had been included in

PG&E's General Rate Case application.²²

In addition to these reductions, the Settling Parties agreed to make two changes to the revenue requirement calculation:

²⁰ See Exhibit WEM-1, pp.1-25.

²¹ Settlement Agreement, Section 1.1 and Section 2.

²² Settlement Agreement, Section 1.2.

- \$130 million reduction to reflect updates to trust contribution amounts from the updated cash flows presented in PG&E's October 4, 2019 supplemental testimony; and
- Adjustments to the escalation rate on waste disposal.²³

The Settlement Agreement expressly reflects the agreement of the Settling Parties that reductions attributable to repurposing and other issues related to the post-2022 revenue requirement will be revisited in the 2021 NDCTP and that the reductions agreed to for this cycle will not harm PG&E's ability to fully restore the Diablo Canyon site at the end of decommissioning as required by federal, state or local regulators and found reasonable and prudent in future NDCTPs.²⁴

In connection with agreement on the reasonable DCPD DCE, trust contribution and related annual revenue requirement for this proceeding, the Settling Parties agree that it is reasonable for PG&E to withdraw \$187.8 million from the Nuclear Decommissioning Trust to support pre-shutdown decommissioning planning activities, subject to reasonableness review in the appropriate NDCTP.²⁵ The costs to renew the license for the Diablo Canyon Independent Spent Fuel Storage Installation and to perform studies to determine which California Native American Tribe(s) is traditionally and culturally affiliated with Diablo Canyon lands are deemed included in the \$187.8 million of decommissioning planning costs.²⁶

B. Additional Areas of Agreement Related to Diablo Canyon DCE

In addition to reaching a reasonable compromise on the quantitative issues discussed above, the Settlement Agreement reflects reasonable resolution of the qualitative issues raised by parties, as follows:

²³ Settlement Agreement, Section 1.3.

²⁴ Settlement Agreement, Sections 1.8 and 1.9.

²⁵ Settlement Agreement, Section 1.5.

²⁶ Settlement Agreement, Sections 1.6 and 1.7.

1. Contracting Strategy

PG&E agrees to select a decommissioning contracting strategy prior to the 2021 NDCTP and, to the extent feasible, obtain indicative bids for near-term scopes of work and reflect any savings achieved through the bid process for these near-term scopes of work in the 2021 NDCTP. No later than 2024, PG&E agrees to identify any savings resulting from implementation of the contracting strategy and incorporate any savings into the DCE. This agreement doesn't limit the right of any party to propose that savings resulting from a particular contracting strategy be incorporated into the DCE adopted in the 2021 NDCTP nor does it limit PG&E's right to request recovery of its actual costs in the event assumed savings do not materialize upon completion of the RFP process.²⁷

2. Trusts

The additional contributions contemplated by the Settlement Agreement will be deposited into a non-qualified trust fund or other non-qualified mechanism, which will include subaccounts to track separately the costs associated with license termination, spent fuel management and site restoration. If PG&E proposes to deposit funds into a fund or mechanism other than the existing non-qualified fund for DCP, it will consult with parties and file for Commission approval of this new mechanism via a Tier 3 Advice Letter.²⁸

3. Spent Fuel Management

PG&E's request for proposals will require vendors to submit proposals for spent nuclear fuel storage systems that will fit within the footprint of the existing DC ISFSI and supporting the final offload of spent nuclear fuel within 4 years of the shut down of Unit 1 and 2, subject to NRC and other required regulatory approvals. PG&E will provide documentation from the CEC affirming that the CEC is satisfied with its participation in the process and that the vendor and spent fuel storage system will achieve transfer of spent nuclear fuel from wet to dry storage as promptly as practicable. Finally, all of this will be achieved without increasing safety risks of

²⁷ See Settlement Agreement Section 3.

²⁸ See Settlement Agreement Section 4.

spent nuclear fuel transfer. Any additional costs associated with obtaining and using a spent fuel storage system meeting these requirements may be presented in PG&E's 2021 or 2024 NDCTP.²⁹

4. DOE Settlement/Litigation Proceeds

PG&E agrees to present information in the 2021 NDCTP addressing: (1) whether and how other utilities reflect DOE reimbursement for spent fuel management costs in estimates of those costs and (2) developments that may affect the ability to collect spent fuel management costs from DOE. PG&E will address the ratemaking for DOE proceeds in the NDCTP rather than PG&E's GRC as of the 2024 NDCTP.³⁰

5. Milestone Framework

Subject to revisions reflecting acceleration of license termination and site restoration activities made possible by accelerating movement of spent nuclear fuel, the Settling Parties accept as reasonable PG&E's proposed Milestone Framework. PG&E will track unassigned costs (line items 1 and 2 of Milestone Framework) as agreed to by TURN, SCE and SDG&E in A.18-03-009 and will estimate the volumes of low-level radioactive waste attributable to each decommissioning major project.³¹

6. Waste Disposal

The parties agree that ambiguities relating to the interpretation of Executive Order (D62-02) have provided insufficient clarity to determine whether clean waste from DCPD can be disposed in California landfills. The Settling Parties agree to request that the Commission ask the jurisdictional state agencies to clarify this issue. In the meantime, PG&E will re-assess whether additional clean waste can be used on-site.³²

²⁹ See Settlement Agreement Section 5.

³⁰ See Settlement Agreement, Section 6.

³¹ See Settlement Agreement, Section 7.

³² See Settlement Agreement, Section 8.

7. Diablo Canyon Independent Safety Committee and Diablo Canyon Decommissioning Engagement Panel

Though not included among the disputed issues raised by any of the Settling Parties, the record for the 2018 NDCTP includes information addressing whether the Diablo Canyon Independent Safety Committee (DCISC) should have an ongoing oversight role after permanent shutdown of DCP³³ and whether the Diablo Canyon Decommissioning Engagement Panel (DCDEP) as currently composed effectively meets the objectives of the stakeholder process directed by the Commission in D.18-01-022.³⁴ If the Settlement Agreement is approved, the DCISC charter would be revised to allow it to continue in its safety oversight role until all of the DCP spent nuclear fuel has been moved from wet storage to dry storage and the funding for and effectiveness of the DCDEP would be addressed in the 2021 NDCTP.³⁵

8. DCP Operations/Site Characterization

The Settlement Agreement reflects agreement by the Settling Parties that, except as relevant to decommissioning plans or activities, Diablo Canyon operations are outside the scope of the NDCTP. PG&E agrees to make a showing in the 2021 NDCTP addressing the impact on the DCE of an unexpected early shutdown of Diablo Canyon due to equipment failure or other operating issue. Also, consistent with the Commission's direction in the 2015 NDCTP and site characterization work already performed, PG&E will continue to characterize and reduce site contamination prior to shut down to the extent feasible and practicable in the context of decommissioning plans.³⁶

9. Decommissioning Cost Comparison

PG&E agrees that to the extent information is available and accessible PG&E will provide a comparison with the DCE for San Onofre Nuclear Generating Station (SONGS), including the decommissioning work accomplished or underway at SONGS, in the 2021 NDCTP.

³³ Exhibit PG&E-7, pp. 5-7.

³⁴ Exhibit PG&E-9, pp. 1-2. *See also*, Exhibit SLO-1, Exhibit B.

³⁵ Settlement Agreement, Sections 9.4 and 9.5.

³⁶ Settlement Agreement, Sections 9.1, 9.2 and 9.6.

C. HBPP DCE, Revenue Requirement and Reasonableness Review

There were no disputed issues related to the HBPP DCE, ongoing revenue requirement or the reasonableness of \$400 million spent on HBPP decommissioning activities. Under the terms of the Settlement Agreement, PG&E would continue to collect in CPUC-jurisdictional rates an annual revenue requirement of \$3.9 million. Additionally, the Settling Parties do not oppose PG&E's request for a finding that \$400 million in costs incurred for completed decommissioning activities at HBPP were reasonably and prudently incurred. PG&E agrees to present simpler, clearer comparison tables in the 2021 NDCTP.³⁷

VI. THE COMMISSION SHOULD APPROVE THE SETTLEMENT AGREEMENT REASONABLE IN LIGHT OF THE WHOLE RECORD, CONSISTENT WITH LAW AND IN THE PUBLIC INTEREST

A. Legal Standard for Settlements

Commission Rule 12.1(d) sets forth the standard for adoption of settlements:

The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with law and in the public interest.

The Commission approves settlement agreements based on whether the settlement agreement is just and reasonable as a whole, not based on its individual terms:

In assessing settlements we consider individual settlement provisions but, in light of strong policy favoring settlements, we do not base our conclusion on whether any single provision is the optimal result. Rather, we determine whether the settlement as a whole produces a just and reasonable outcome.³⁸

Numerous Commission decisions “have endorsed settlements as an ‘appropriate method of alternative ratemaking’ and express a strong public policy favoring settlement of disputes if they are fair and reasonable in light of the whole record.”³⁹ It is long-standing Commission policy to strongly favor settlement.⁴⁰ This policy supports many worthwhile goals, including not only reducing the expense of litigation and conserving scarce Commission resources, but also

³⁷ See Settlement Agreement, Section 10.

³⁸ D.10-04-033, *mimeo*, p. 9.

³⁹ See e.g., D.05-10-041, *mimeo*, p. 47; D.15-03-006, *mimeo*, p.6; and D.15-04-006, *mimeo*, p. 8.

⁴⁰ D.10-06-038, *mimeo*, p. 38.

allowing parties to reduce the risk that litigation will produce unacceptable results.⁴¹

B. The Agreement Is Reasonable in Light of the Record as a Whole

The Settling Parties are knowledgeable and experienced regarding the issues in this NDCTP and represent distinct and affected interests as set forth in Section II. The Settling Parties reached agreement after the submission of lengthy testimony, extensive discovery, public participation hearings, evidentiary hearings, careful analysis of issues, and settlement discussions. With respect to the overall decommissioning cost estimate and annual revenue requirement for Diablo Canyon, the settled value falls within the ranges created by the Settling Parties respective litigation positions. The more qualitative, non-monetary issues raised by parties are resolved in the settlement in a manner acceptable to all parties. In its totality, the Settlement Agreement reflects a reasonable balance of the various interests affected in this proceeding.

C. The Agreement Is Consistent with Law and Prior Commission Decisions

The Settling Parties believe and represent that no term of the Settlement Agreement contravenes statutory provisions or prior Commission decisions. The Settling Parties are aware of no statutory provisions or controlling law that would be contravened or compromised by the Settlement Agreement. Furthermore, the Settlement Agreement is consistent with the Commission's finding that settlements demonstrating reasonable compromise between the principles and legal theories of the adverse parties' merit approval.⁴²

D. The Agreement Is in the Public Interest

The purpose of the NDCTP is to review PG&E's update nuclear decommissioning cost estimates, determine the necessary customer contributions to fully fund the nuclear decommissioning trust to the levels needed to decommission PG&E's nuclear plants and to determine the reasonableness of costs expended on decommissioning activities.⁴³ The agreed-

⁴¹ D.14-12-040, *mimeo*, p. 15.

⁴² D.14-01-011, *mimeo*, p. 13; D. 15-05-015, *mimeo*, p. 13.

⁴³ D.10-07-047, *mimeo*, p. 4.

upon DCE and annual revenue requirement for Diablo Canyon represents a reasonable DCE and customer contributions in light of the potential for repurposing and other issues raised in this proceeding. The Settlement Agreement is in the public interest primarily because it reflects an adequate balance of PG&E and customer interests in ensuring adequate funding is available for decommissioning, including decommissioning planning, while preserving the rights of all parties to revisit the issues addressed in the Settlement Agreement in the 2021 NDCTP.

VII. CONCLUSION

The Settling Parties urge the Commission to adopt the Settlement Agreement without modification as reasonable in light of the whole record, consistent with the law and in the public interest. Pursuant to Rule 1.8(d) of the Commission's Rules of Practice and Procedure, PG&E represents that TURN, Public Advocates Office, SLO County, A4NR, WEM, and YTT Kinship have authorized it to sign and tender this Motion on their behalf.

Respectfully Submitted,

By: /s/ Jennifer K. Post
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PACIFIC GAS AND ELECTRIC COMPANY
On Behalf of the Settling Parties

Dated: January 10, 2020

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tilhini NORTHERN CHUMASH CULTURAL PRESERVATION KINSHIP AND
WOMEN'S ENERGY MATTERS**

In accordance with Article 12 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, Pacific Gas and Electric Company (PG&E), The Utility Reform Network (TURN), the Public Advocates Office at the California Public Utilities Commission (Public Advocates Office), the Alliance for Nuclear Responsibility (A4NR), the County of San Luis Obispo (SLO County), Women's Energy Matters (WEM), and yak tityu tityu yak tilhini Northern Chumash Cultural Preservation Kinship (YTT Kinship) (collectively, the Settling Parties) enter into this Settlement Agreement as a compromise of their respective litigation positions to resolve the disputed issues related to the decommissioning cost estimate (DCE) for Diablo Canyon Power Plant (DCPP or Diablo Canyon) in the above-captioned proceedings before the Commission. This Settlement Agreement also addresses the undisputed issues related to the DCE for Humboldt Bay Power Plant (HBPP) and approximately \$400 million in HBPP decommissioning costs presented for reasonableness review in this proceeding. Accordingly, the Settling Parties have addressed all but one issue raised in the consolidated proceedings and have negotiated this Settlement Agreement to resolve their disputes.¹

I. PROCEDURAL HISTORY

On July 16, 2018, PG&E filed the Application for Authorization to Establish the Diablo Canyon Decommissioning Planning Memorandum Account (DCDPMA), A.18-07-013 ("Memo Account Application"). TURN served a Protest to A.18-07-013 on August 15, 2018. On August 30, 2018, PG&E, TURN, Public Advocates Office, and A4NR submitted a Joint Prehearing Conference Statement in advance of the Prehearing Conference, which was held on September 7, 2018. At the Prehearing Conference, PG&E agreed to submit a request for exemption from the U.S. Nuclear Regulatory Commission (NRC) to allow PG&E to access the nuclear decommissioning trust for decommissioning planning expenditures of \$187.8 million ("Request

¹ The one remaining issue left in the case is the proposal by James Adams that the Commission direct PG&E to thoroughly research and analyze deep isolation on land and sub-seabed options for nuclear waste disposal and submit its findings and recommendations for possible implementation at HBPP in the 2021 NDCTP.

for Exemption”) on or before the date it filed the 2018 NDCTP Application. Assigned Commissioner Picker issued a Scoping Memo and Ruling on October 11, 2018 delineating the subject matter to be addressed in PG&E’s Memo Account Application and in PG&E’s 2018 NDCTP application. On October 15, 2018, PG&E hosted a workshop for all parties to address more specifically the types of costs PG&E would record in the proposed DCDPMA if authorized by the Commission. TURN and PG&E served opening comments on issues presented in the Scoping Memo and Ruling on November 15, 2018 and reply comments on November 29, 2018.

On December 13, 2018, PG&E filed the Application of Pacific Gas and Electric Company in the 2018 Nuclear Decommissioning Cost Triennial Proceeding, A.18-12-008 (“2018 NDCTP Application”). PG&E submitted its Request for Exemption on the same day. On February 6, 2019, ALJ Houck issued a ruling in the Memo Account Application directing parties to submit additional information and deferring a decision on the Memo Account Application until after a determination by the NRC on PG&E’s Request for Exemption. On March 7, 2019, PG&E requested that the Commission consolidate the Memo Account Application and the 2018 NDCTP Application. The Assigned Commissioner issued a ruling consolidating the Applications on the same day.

The Public Advocates Office, TURN, A4NR, SLO County and WEM all filed timely protests or responses to PG&E’s 2018 NDCTP Application, to which PG&E responded on January 29, 2019. Prior to filing a February 1, 2019 Joint Prehearing Conference Statement along with the parties previously identified, Donald Korn & Associates (DHK) requested and was granted party status in the 2018 NDCTP Application. ALJ Houck granted party status to James Adams at the Prehearing Conference. The Commission held the Prehearing Conference on February 6, 2019, and issued the Assigned Commissioner’s Scoping Memo and Ruling on February 14, 2019. On March 15, 2019, PG&E served supplemental testimony addressing PG&E’s spent fuel management plan and issues raised by members of the public identified in the March 7, 2019 Assigned Commissioner’s Scoping Memo and Ruling. On April 15, 2019, PG&E served supplemental testimony providing further information and clarification regarding

decommissioning planning costs PG&E planned to record in the DCDPMA if authorized to do so as directed in the February 6, 2019 ALJ Ruling in the Memo Account application.

At the start of April 2019, PG&E held workshops addressing how PG&E developed the DCE and the Milestone Framework. Another workshop, this one addressing spent fuel management, was held by PG&E and the California Energy Commission (CEC) on May 4, 2019. On April 16, 2019, YTT Kinship requested party status. Party status was granted on June 5, 2019. The San Luis Obispo Mothers for Peace (SLOMFP) was granted party status on June 4, 2019. On July 17, 2019, PG&E hosted a site tour of HBPP Unit 3 in Eureka, CA. Californians for Green Nuclear Power (CGNP) was granted party status on August 2, 2019.

The Public Advocates Office and other parties conducted extensive discovery from January 2019 through mid-September 2019. These parties actively and thoroughly reviewed the 2018 NDCTP Application, supporting testimony and site-specific decommissioning cost estimate. To enhance their understanding of the issues, parties submitted, and PG&E responded to, 410 data requests, excluding subsets of questions. The Public Advocates Office and intervenors served testimony on July 15, 2019. On August 7 and 8, 2019, the Commission held public participation hearings addressing the 2018 NDCTP Application in San Luis Obispo, CA. On August 15, 2019, PG&E served rebuttal testimony addressing issues raised by the parties who filed testimony on July 15, 2019.

By letter dated September 10, 2019, the NRC granted PG&E's request for exemption, allowing PG&E to access \$187.8 million in funding from the Diablo Canyon nuclear decommissioning trust. The Commission held evidentiary hearings September 23-25, 2019.

On October 2, 2019, ALJ Houck issued a ruling amending the procedural schedule and requiring additional information. Pursuant to that ruling, on October 4, 2019, PG&E served updated testimony with revisions to the revenue requirement reflecting the fact that the DCDPMA requested in the Memo Account Application was no longer necessary and revising the requested revenue requirement related to the Diablo Canyon DCE to be collected solely through the nuclear decommissioning trust. Also in response to the October 2 ALJ ruling, SLO County

served testimony on October 10, 2019 addressing its position on and efforts associated with repurposing the breakwaters on Diablo Canyon lands. On October 11 and October 17, 2019 respectively, the proceeding was re-assigned from ALJ Houck to ALJ Haga and from Commissioner Picker to Commissioner Batjer.

On October 24, 2019, PG&E and TURN requested a suspension of the procedural schedule in order to allow parties to continue productive settlement discussions. ALJ Haga granted that request on November 14, 2019. Having reached agreement in principle, PG&E, TURN, the Public Advocates Office, A4NR, WEM, SLO County and YTT Kinship served a Notice of Settlement Conference on December 13, 2019 and held a settlement conference on December 20, 2019.

II. SETTLEMENT TERMS AND CONDITIONS

The Settling Parties agree to the following terms and conditions as a complete and final resolution of the issues in this proceeding:

1. Diablo Canyon DCE and Revenue Requirement Calculation

1.1 The Settling Parties agree not to challenge the reasonableness of PG&E's adjusted 2018 DCE of \$3,899,145,000 (\$2017) in the current proceeding.

1.2 PG&E agrees to the following reductions to the as-filed 2018 DCE of \$4,802,395,000 (\$2017):

- \$300 million related to the reduced spent nuclear fuel cooling period referenced in section 5.1 below, subject to NRC licensing and other regulatory approvals;
- \$200 million related to general repurposing, subject to regulatory approvals;
- \$400 million related to breakwater repurposing, subject to regulatory approvals;
- \$3 million related to PG&E's membership in INPO, NEI and EPRI;
- \$250,000 related to costs to prepare the decommissioning cost estimate which were included in PG&E's 2017 General Rate Case application.

- 1.3 In addition to the reductions to the DCE outlined in Section 1.2, PG&E agrees to make two sets of revenue requirement changes:
- A reduction of \$130 million to reflect updates to trust contribution amounts from the updated cash flows presented in PG&E's October 4, 2019 supplemental testimony; and
 - Adjustments to the escalation rate on waste disposal sufficient to yield the total revenue requirements authorized in Section 1.4. The Settling Parties agree that the resulting escalation rate is used for the sole purpose of resolving PG&E's 2018 NDCTP application, is not indicative of a market rate for waste disposal and may be revised in the 2021 NDCTP.
- 1.4 Based on the adjustments outlined in Section 1.2 and 1.3, the Settling Parties agree that PG&E is authorized to collect an annual revenue requirement of approximately \$112.5 million inclusive of revenue fees and uncollectibles.
- 1.5 The Settling Parties agree that it is reasonable for PG&E to withdraw \$187.8 million in decommissioning planning costs from the nuclear decommissioning trust. Costs for completed work for decommissioning planning activities will be subject to reasonableness review in a future NDCTP.
- 1.6 PG&E agrees that license renewal project costs for the Diablo Canyon Independent Spent Fuel Storage Installation (DC ISFSI) will be recovered as a decommissioning expense included in the \$187.8 million referenced in section 1.5 and will not be recovered as capital expenditures through rates set in PG&E's General Rate Case process.
- 1.7 PG&E agrees , if such studies are not independently conducted within 18 months

of the effective date of this Settlement Agreement, PG&E shall retain the services of a qualified ethnographer to conduct studies to determine which California Native American Tribe(s) is traditionally and culturally affiliated with the Diablo Canyon lands as demonstrated by genealogical analysis, Mission-period records, and other relevant research materials. PG&E agrees not to request additional funding from customers to perform these studies.

- 1.8 The Settling Parties agree reductions attributable to repurposing and other issues related to the post-2022 revenue requirement will be revisited in the 2021 NDCTP.
- 1.9 The Settling Parties agree that the reductions to the DCE and associated revenue requirement agreed to for this NDCTP cycle will not harm PG&E's ability to fully restore the Diablo Canyon site at the end of decommissioning, in the event no viable reuse proposals are identified. This agreement is limited to funding for site restoration work required by federal, state or local regulators and found by the Commission to be reasonable and prudent in future NDCTPs.

2. Cost Recovery Period

The Settling Parties agree it is reasonable to collect the annual revenue requirement related to Diablo Canyon decommissioning from customers over eight years, January 1, 2020 through December 31, 2027, reflecting that the additional contributions will be deposited to trusts or other mechanisms not requiring IRS rulings. This results in an annual revenue requirement of approximately \$112.5 million.

3. Contracting Strategy

- 3.1 Prior to the 2021 NDCTP, PG&E shall select its proposed contracting strategy and its 2021 DCE will be based on that contracting strategy. No later than the

2024 NDCTP, PG&E shall identify any savings resulting from implementation of the contracting strategy and incorporate any savings into the DCE. This agreement does not limit the right of any settling party to propose that savings associated with a proposed contracting strategy be incorporated into the DCE adopted in the 2021 NDCTP. This agreement does not limit PG&E's right to request recovery of its actual costs in the event assumed savings (i.e., estimates of savings presented in compliance with the timing of this section, but before PG&E has completed its RFP process) do not materialize upon completion of the RFP process.

- 3.2 To the extent feasible, PG&E shall obtain indicative bids for the following scopes of work: spent fuel transfer, spent fuel island, cold & dark, turbine building asbestos removal, and large component removal and reflect any savings associated with these bids in the revised DCE presented in the 2021 NDCTP.

4. Trusts

- 4.1 PG&E agrees to deposit new contributions made pursuant to this Settlement into either: the existing non-qualified trust for DCP, a new trust, or similar mechanism, to allow for the return of any excess funds to customers prior to completion of decommissioning activities. PG&E agrees to record and track license termination, spent fuel management and site restoration costs in separate subaccounts of the existing non-qualified trust for DCP, a new trust, or similar mechanism.
- 4.2 PG&E will consult with parties to this proceeding regarding the structure of any new trust, or similar mechanism, prior to its establishment. The proposal for

establishing any new trust, or similar mechanism, shall be submitted for Commission approval in the form of a Tier 3 Advice Letter.

- 4.3 The calculation of and conditions for returning to customers any excess funds in the existing non-qualified trust for DCP, new trust, or similar mechanism shall be determined by the Commission.

5. Spent Fuel Management

- 5.1 PG&E agrees that its pending solicitation of vendors for spent fuel storage systems shall include performance specifications that: (1) enable the final offload of spent fuel from the Unit 1 and Unit 2 spent fuel pools within 4 years of the shutdown of Unit 1 and Unit 2, respectively, subject to NRC licensing and other required regulatory approvals and (2) require that the proposed spent nuclear fuel storage systems must fit within the existing DC ISFSI licensed by the NRC and permitted by the County of San Luis Obispo and the California Coastal Commission.
- 5.2 In the event no vendor can develop a spent fuel storage system that: can meet a 4 - year spent nuclear fuel cooling period, be accommodated on the existing DC ISFSI, and is licensable by the NRC, PG&E will, in consultation with the CEC, select a vendor who will achieve transfer of spent fuel to the DC ISFSI as promptly as reasonably practicable, but in no event longer than 7 years.
- 5.3 Any reductions in the timeline for transferring spent nuclear fuel from the spent fuel pools to the DC ISFSI will not increase safety risks associated with the storage and handling of the spent nuclear fuel.
- 5.4 The revised DCE presented in the 2021 or 2024 NDCTP may include additional

costs associated with the new spent fuel storage system required to implement a shorter cooling time.

5.5 On December 4, 2019, PG&E submitted an Irradiated Fuel Management Plan (IFMP) to the NRC in compliance with 10 Code of Federal Regulations 50.54(bb). Due to the timing of this filing, which was governed by regulation, the IFMP PG&E submitted to the NRC reflects the spent fuel management plan presented in PG&E's original application. In the cover letter submitted with the IFMP, PG&E noted, "The IFMP represents PG&E's current plans and is subject to change." In the IFMP document itself, PG&E informed the NRC that it is planning to issue a request for proposal to implement a modified or new dry cask storage design, to address (1) storage of fuel debris, damaged fuel, and GTCC waste and (2) reduce the required spent fuel pool cooling time to allow safe transfer to the ISFSI as soon as possible and not to exceed 7 years after the expiration of the Unit 2 operating license. PG&E also noted that it will submit for NRC approval the required licensing documentation associated with implementation of a modified or new dry cask storage system and that actual changes to the schedule for transferring spent nuclear fuel to the ISFSI will be assessed for overall decommissioning cost impacts. (*See* PG&E Letter DCL-19-081).

5.6 In the 2021 NDCTP, PG&E will provide documentation, as determined appropriate by the CEC, from the Executive Director of the CEC, or his/her designee, affirming that the CEC participated in PG&E's vendor solicitation, had an opportunity to review and provide input into the choice of vendor, considers

PG&E's coordination and collaboration with the CEC to have been satisfactory; and believes the choice of vendor by PG&E will achieve transfer of spent fuel to the ISFSI as promptly as reasonably practicable.

6. DOE Settlement/Litigation Proceeds

- 6.1 The Settling Parties agree that review of issues related to DOE claims and methods for returning any proceeds from DOE shall be considered in the NDCTP starting in PG&E's 2024 NDCTP (rather than in PG&E's GRC proceedings).
- 6.2 PG&E agrees to report on any developments that may affect the ability to recover spent fuel management costs resulting from the US Government's breach of contract.
- 6.3 To the extent this information is publicly available, PG&E shall report in the 2021 NDCTP on the extent to which other nuclear plant licensees assume the use of future DOE payments for purposes of determining the adequacy of spent fuel management funding.

7. Milestone Framework

- 7.1 The Milestone Framework shall be revised to reflect any acceleration in License Termination and Site Restoration activities made possible by accelerating the movement of spent nuclear fuel to the ISFSI. After making the additional changes referenced in this section, the remainder of PG&E's Milestone Framework is reasonable and should be adopted.
- 7.2 PG&E agrees to revise its tracking of unassigned costs (2018 DCE line items 1 and 2) to reflect the approach proposed by TURN, SCE and SDG&E in A.18-03-009.

- 7.3 The tracking of unassigned low-level radioactive waste costs, on both a forecasted and recorded basis, shall include an estimate of the volumes attributable to each major project.

8. Waste Disposal

- 8.1 The Settling Parties will request that the Commission seek clarification from relevant state agencies regarding the application of the requirements of Executive Order (D-62-02) to the disposal of clean materials. Specifically, the Settling Parties will ask the Commission to ask the jurisdictional agencies to clarify whether clean materials from Diablo Canyon may be disposed of in a Class III, Class II or Class I landfill in California.

- 8.2 PG&E agrees to further explore alternatives for re-use or disposal of clean materials consistent with requirements and approval of federal, state and local authorities.

9. Other DCPD Issues

- 9.1 The Settling Parties agree that, other than as relevant to decommissioning activities and related costs, Diablo Canyon operations are outside the scope of the NDCTP.
- 9.2 PG&E agrees to make a showing in the 2021 NDCTP addressing the impact on the Diablo Canyon DCE of an unexpected early shutdown due to equipment failure or other operating issue.
- 9.3 To the extent information is available and accessible, PG&E will provide a comparison with the SONGS DCE, including the decommissioning work accomplished or underway at SONGS, in the 2021 NDCTP.

- 9.4 The Settling Parties agree that the Charter of the Diablo Canyon Independent Safety Committee (DCISC) should be amended to extend its oversight role on nuclear safety matters until all spent nuclear fuel has been transferred from the spent fuel pools to the ISFSI.
- 9.5 The 2021 NDCTP will include a review of the funding and effectiveness of the Diablo Canyon Decommissioning Engagement Panel. This review shall consider the NRC's report to the United States Congress on best practices for community advisory boards for decommissioning as required by the Nuclear Energy Innovation and Modernization Act (NEIMA).
- 9.6 Consistent with the Commission's directive in prior NDCTP proceedings and site characterization work already performed, PG&E will continue to characterize and reduce site contamination prior to shut down to the extent feasible and practicable in the context of decommissioning plans.

10. Humboldt Bay Power Plant DCE and Reasonableness Review

- 10.1 The Settling Parties agree that PG&E should continue to collect through CPUC-jurisdictional rates an annual revenue requirement commencing January 1, 2020, of \$3.9 million for funding the Humboldt Bay Power Plant (HBPP) tax-qualified trust, as adjusted by advice letter filing immediately following a decision in this proceeding.
- 10.2 The Settling Parties do not oppose PG&E's request for a finding that \$400 million in costs incurred for completed decommissioning activities at HBPP were reasonably and prudently incurred.
- 10.3 PG&E agrees that it will present simpler, clearer tables comparing the 2018 and

2021 HBPP decommissioning cost estimates, recorded costs and differences in the 2021 NDCTP.

III. GENERAL PROVISIONS

- 11.1 In accordance with Rule 12.5, the Settling Parties intend that Commission adoption of this Settlement Agreement will be binding on the Settling Parties, including their legal successors, assigns, partners, members, agents, parent or subsidiary companies, affiliates, officers, directors, and/or employees. Unless the Commission expressly provides otherwise, and except as otherwise expressly provided herein, such adoption does not constitute approval or precedent for any principle or issue in this or any future proceeding.
- 11.2 The Settling Parties agree that nothing contained in this Settlement Agreement is to be construed as an admission of liability, fault, or improper action by any Party.
- 11.3 The Settling Parties agree that this Settlement Agreement is subject to approval by the Commission. As soon as practicable after the Settling Parties have signed this Settlement Agreement, the Settling Parties shall jointly file a motion for Commission approval and adoption of the Settlement Agreement. The Settling Parties will furnish such additional information, documents, and/or testimony as the ALJ or the Commission may require in connection with its review of the motion adopting this Settlement Agreement.
- 11.4 The Settling Parties agree to support the Settlement Agreement and use their best efforts to secure Commission approval of the Settlement Agreement in its entirety without modification.
- 11.5 The Settling Parties agree to recommend that the Commission approve and adopt

this Settlement Agreement in its entirety without change.

11.6 The Settling Parties agree that, if the Commission fails to adopt this Settlement Agreement in its entirety and without modification, the Settling Parties shall convene a settlement conference within fifteen (15) days thereof to discuss whether they can resolve the issues raised by the Commission's actions. If the Settling Parties cannot mutually agree to resolve the issues raised by the Commission's actions, the Settlement Agreement shall be rescinded, and the Settling Parties shall be released from their obligation to support the Settlement Agreement. Thereafter, the Settling Parties may pursue any action they deem appropriate but agree to cooperate in establishing a procedural schedule.

11.7 The Settling Parties agree to actively and mutually defend the Settlement Agreement if the adoption is opposed by any other party.

11.8 This Settlement Agreement constitutes a full and final settlement of all issues reviewed by TURN, Public Advocates Office, A4NR, SLO County, WEM and YTT Kinship in the above-captioned proceedings. This Settlement Agreement constitutes the Parties' entire settlement; it shall not be amended or modified without the express written consent of all Settling Parties.

IV. MISCELLANEOUS PROVISIONS

12.1 The Settling Parties agree that no signatory to the Settlement Agreement or any employee thereof assumes any personal liability as a result of the Settlement Agreement.

12.2 If any Party fails to perform its respective obligations under the Settlement Agreement, any other Party may come before the Commission to pursue a remedy

including enforcement.

- 12.3 The provisions of this Settlement Agreement are not severable. If the Commission, or any competent court of jurisdiction, overrules or modifies as legally invalid any material provision of the Settlement Agreement, the Settlement Agreement may be considered rescinded as of the date such ruling or modification becomes final, at the discretion of the Settling Parties.
- 12.4 The Settling Parties acknowledge and stipulate that they are agreeing to this Settlement Agreement freely, voluntarily, and without any fraud, duress, or undue influence by any other party. Each party states that it has read and fully understands its rights, privileges, and duties under the Settlement Agreement, including each Party's right to discuss the Settlement Agreement with its legal counsel and has exercised those rights, privileges, and duties to the extent deemed necessary.
- 12.5 In executing this Settlement Agreement, each Party declares and mutually agrees that the terms and conditions are reasonable in light of the whole record, consistent with law, and in the public interest.
- 12.6 No Party has relied, or presently relies, upon any statement, promise, or representation by any other Party, whether oral or written, except as specifically set forth in this Settlement Agreement. Each Party expressly assumes the risk of any mistake of law or fact made by such Party or its authorized representative.
- 12.7 This Settlement Agreement may be executed in separate counterparts by the different Settling Parties hereto with the same effect as if all Settling Parties had signed one and the same document. All such counterparts shall be deemed to be

an original and shall together constitute one and the same Settlement Agreement.


12.8 This Settlement Agreement shall become effective and binding on the Parties as of the date it is approved by the Commission in a final and non-appealable decision.

12.9 This Settlement Agreement shall be governed by the laws of the State of California as to all matters, including but not limited to, matters of validity, construction, effect, performance, and remedies.

V. CONCLUSION

The Settling Parties mutually believe that, based on the terms and conditions stated above, this Settlement Agreement is reasonable in light of the whole record, consistent with the law, and in the public interest. The Parties' authorized representatives have duly executed this Settlement Agreement on behalf of the Settling Parties they represent.

PACIFIC GAS AND ELECTRIC COMPANY


Name: JAMES M. WELSCH
Title: Sr. Vice President Generation & Chief
Nuclear Officer

Date: January 7, 2020

THE UTILITY REFORM NETWORK

Name: MATTHEW FREEDMAN
Title: Attorney

Date: January __, 2020

PUBLIC ADVOCATES OFFICE AT THE CALIFORNIA PUBLIC UTILITIES COMMISSION

Name:
Title:

Date: January __, 2020

ALLIANCE FOR NUCLEAR RESPONSIBILITY

Name: ROCHELLE BECKER
Title: Executive Director

Date: January __, 2020

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Name: JAMES M. WELSCH

Title: Sr. Vice President Generation & Chief
Nuclear Officer

Date: January __, 2020

THE UTILITY REFORM NETWORK



Name: MATTHEW FREEDMAN

Title: Attorney

Date: January 9, 2020

PUBLIC ADVOCATES OFFICE AT THE CALIFORNIA PUBLIC UTILITIES COMMISSION

Name:
Title:

Date: January __, 2020

ALLIANCE FOR NUCLEAR RESPONSIBILITY

Name: ROCHELLE BECKER
Title: Executive Director

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Name: JAMES M. WELSCH

Title: Sr. Vice President Generation & Chief
Nuclear Officer

Date: January __, 2020

THE UTILITY REFORM NETWORK

Name: MATTHEW FREEDMAN

Title: Attorney

Date: January __, 2020

PUBLIC ADVOCATES OFFICE AT THE CALIFORNIA PUBLIC UTILITIES COMMISSION


Name: LINDA SERIZAWA
Title: Deputy Director

Date: January 9, 2020

ALLIANCE FOR NUCLEAR RESPONSIBILITY

Name: ROCHELLE BECKER
Title: Executive Director

Date: January __, 2020

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PACIFIC GAS AND ELECTRIC COMPANY

Name: JAMES M. WELSCH

Title: Sr. Vice President Generation & Chief
Nuclear Officer

Date: January __, 2020

PUBLIC ADVOCATES OFFICE AT THE CALIFORNIA PUBLIC UTILITIES COMMISSION

Name:
Title:

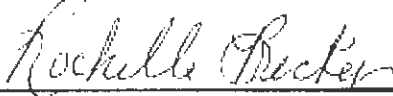
Date: January __, 2020

THE UTILITY REFORM NETWORK

Name: MATTHEW FREEDMAN
Title: Attorney

Date: January __, 2020

ALLIANCE FOR NUCLEAR RESPONSIBILITY


Name: ROCHELLE BECKER
Title: Executive Director

Date: January __, 2020

COUNTY OF SAN LUIS OBISPO



Name: WADE HORTON

Title: ~~COUNTY ADMINISTRATIVE OFFICER~~

Date: January ~~01~~, 2020

yak tityu tityu yak NORTHERN
CHUMASH CULTURAL
PRESERVATION KINSHIP

Name: SCOTT LATHROP

Title: President

Date: January __, 2020

WOMEN'S ENERGY MATTERS

Name: JEAN MERRIGAN

Title: Executive Director

Date: January __, 2020

COUNTY OF SAN LUIS OBISPO

Name: WADE HORTON

Title:

Date: January __, 2020

**yak tityu tityu yak NORTHERN
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Name: SCOTT LATHROP
Title: President

Date: January __, 2020

WOMEN'S ENERGY MATTERS



Name: JEAN MERRIGAN

Title: Executive Director

Date: January 8, 2020

COUNTY OF SAN LUIS OBISPO

WOMEN'S ENERGY MATTERS

Name: WADE HORTON

Title:

Date: January __, 2020

Name: JEAN MERRIGAN

Title: Executive Director

Date: January __, 2020

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CHUMASH CULTURAL
PRESERVATION KINSHIP**



Name: SCOTT LATHROP

Title: President

Date: January 9, 2020

(End of Appendix A)