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April 8, 2018

The Honorable Bob Wieckowski, Chair
Senate Environmental Quality Committee
State Capitol Building, Room 2205
Sacramento, CA 95814

RE: SUPPORT SB 1090 (Monning) Diablo Canyon Nuclear Power Plant

Dear Senator Wieckowski,

On behalf of the San Luis Obispo Chamber of Commerce, the largest business organization in San Luis Obispo County, representing approximately 1,400 members that employ nearly 34,000 employees, I am writing to respectfully request that you support the safe, environmentally responsible, transition of the Diablo Nuclear Power Plant by lending your support of SB 1090 (Diablo Canyon Nuclear Power Plant).

SB 1090 grants clear authority to the California Public Utilities Commission to approve the entirety of the Joint Proposal filed in Application 16-08-006. By voting yes on SB 1090 you would join a wide array of key statewide stakeholders representing multiple and often competing interests who negotiated the terms of the plant closure.

The provisions of SB 1090 are supported by the California State Lands Commission (CSLC) who ultimately forced the decision to shut the plant down in order to meet the State's ambitious renewable energy goals. In their decision to grant a lease extension, the CSLC determined that a sudden plant closure would undermine Governor Brown's laudable environmental objectives and was ultimately not in the best interests of the State of California.

The Commission supported the Joint Proposal and issued a short-term lease extension through 2024/2025 in order to provide a reasonable runway to transition to renewable energy sources. The State Lands Commission has expressly stated their support in a letter to President Picker on December 7, 2017 by stating:

"In authorizing the lease, the CSLC determined that approving the lease was in the State's best interest, relying on PGE's commitments in the Joint Proposal to retire Diablo Canyon; procure renewable energy sources to replace Diablo Canyon; retain and retrain Diablo Canyon's talented workforce; and mitigate adverse economic impacts to the local communities resulting from the

planned Diablo Canyon retirement. The CSLC determined at a public meeting after hearing hours of testimony that these commitments were necessary to ensure that Diablo Canyon's retirement avoids the detrimental effects resulting from the abrupt retirement of a major energy-generating facility such as what was experienced with the San Onofre Nuclear Generating Station (SONGS) in 2013, including increased greenhouse gas emissions from replacement power source's; layoffs of the plant's workforce; and significant adverse economic impacts to the surrounding communities."

SB 1090 ensures statewide environmental benefits by avoiding a potential increase in the emissions of greenhouse gases as a result of the retirement of the state's last operating power plant. When San Onofre closed abruptly, it was widely reported that the wholesale price of electricity increased 59%, and carbon emissions increased 24% due, in part, to the fact that the plant was replaced by gas-fired plants. By contrast, SB 1090 ensures a predictable and appropriate transition both for employees currently operating the plant and future renewable energy suppliers.

Lastly, SB 1090 ensures predictability and safe operation of the DCP through the planned retirement date by effectively retaining existing members of the trained workforce. The announced plant closure and subsequent rejection of the employee retention program outlined in the Joint Proposal has undoubtedly created job insecurity for employees of the plant and in turn diminished predictability of long-term retention of the workforce. The Proposed Employee Program provides the necessary incentives to effectively retain top-notch talent who can operate the plant reliably and safely through the plant's license.

In closing, please support SB 1090 as the provisions within this bill provide a stronger and more responsible bridge to our renewable energy future while mitigating many avoidable and adverse impacts.

Thank you for your consideration.

Sincerely,



Ermina Karim
President/CEO
San Luis Obispo Chamber of Commerce

Cc: Members, Senate Health Committee
Senator Jeff Stone (Vice Chair)
Senator Ted Gaines
Senator Jerry Hill
Senator Ricardo Lara
Senator Nancy Skinner
Senator Henry I. Stern
Rachel Machi Wagoner, Chief Consultant, Senate Environmental Quality Committee
David Garcia, Consultant
Genevieve Wong, Consultant