



SAN LUIS COASTAL UNIFIED SCHOOL DISTRICT

1500 Lizzie Street
San Luis Obispo, CA 93401-3062
(805) 549-1200

ΦΦΦ FOR IMMEDIATE RELEASE ΦΦΦ

FOR INFORMATION, CONTACT
Ryan Pinkerton
Assistant Superintendent/Business Services
(805) 549-1331

San Luis Coastal Unified School District and PG&E Agree to Diablo Settlement; Tentative Pact Includes \$10 Million Endowment to Provide Long-term Funding

SAN LUIS OBISPO – The San Luis Coastal Unified School District and PG&E have reached a tentative agreement aimed at easing economic impacts on the District related to the utility’s plan to close the Diablo Canyon Power Plant in 2025.

The tentative agreement is part of an overall agreement with the School District, the County of San Luis Obispo and the county’s cities in which PG&E agreed to provide an Essential Services Mitigation Fund. The tentative agreement calls for a significant increase from the \$49.5 million that PG&E initially proposed in June when it first announced plans to close Diablo.

The School District is scheduled to receive \$36 million to be paid out over nine years. Included in that amount will be \$10 million dedicated to an educational foundation the School District will establish and use in ways similar to how colleges and universities use returns on endowment investments to help support student programs.

San Luis Coastal Unified School District’s Trustee and School Board President Marilyn Rodger praised PG&E officials for their collaboration: “Shortly after PG&E announced its intentions to close Diablo, PG&E representatives met with us to begin a series of earnest conversations about finding a fair way to mitigate some of the economic impacts. PG&E listened carefully to our concerns and worked with us in good faith to help ease the District’s transition to a post-Diablo era.”

In a typical year, PG&E’s property taxes to San Luis Coastal are approximately \$8 million of the school district’s annual \$80 million operating budget. With Diablo’s planned closure, the value of PG&E’s real assets will decline precipitously causing a corresponding decline in what had been a reliable source of property tax revenues for the District.

“By establishing certainty about what the School District will receive over the next nine years, the agreement gives us needed breathing room for making what will still be a very difficult transition when Diablo finally closes in 2025,” said School District Superintendent Eric Prater. “Now, with this baseline of certainty, San Luis Coastal can develop a thoughtful, long-term transition plan. Further, the establishment of an educational foundation will provide a modest but steady source of funding to help support student programs for years to come.”

Prater also expressed his confidence that San Luis Coastal will be able to create a transition plan that maintains high-quality education despite the revenue loss: “We will continue our public outreach to harvest ideas and interests from staff, parents, concerned citizens, and educational experts across California for help in reimagining our future.”

All parties need to formally approve the agreement and submit it to the California Public Utilities Commission as a modification to PG&E’s original joint proposal made in June. All elements of the joint proposal are subject to the CPUC’s review and approval.

Error! Reference source not found.
Error! Reference source not found.
Page 2

END