



**November 27, 2017**

## **PG&E, Labor, Community and Environmental Groups to Strongly Advocate for Approval of Diablo Canyon Joint Proposal**

**SAN FRANCISCO, Calif.** — Pacific Gas and Electric Company (PG&E) will join with labor, community and leading environmental groups tomorrow in advocating at the California Public Utilities Commission (CPUC) for approval of the joint proposal concerning the future of Diablo Canyon Power Plant (DCPP). The verbal arguments will be heard during a planned CPUC hearing on the issue.

If approved by the CPUC, the joint proposal would increase investment in energy efficiency and renewables beyond current state mandates, while phasing out PG&E's production of nuclear power in California by 2025. It will also ensure that a highly-skilled workforce is in place to safely and reliably run the plant until its operating licenses expire, provide continued funding for essential public services, and support employees and the local community in transitioning to a future without the plant in operation.

"The DCPP joint proposal represents the most appropriate and responsible path forward for our customers, employees, the local community and the environment. The agreement supports our state's clean energy vision and ensures an orderly transition from nuclear power to other greenhouse gas-free resources, while supporting our local plant workers and neighbors," said Nick Stavropoulos, President and Chief Operating Officer of Pacific Gas and Electric Company.

In a proposed decision issued on November 8, 2017, the CPUC preserved several elements of the DCPP joint proposal. However, the proposed decision differs in regards to certain key areas, including the employee, community and energy replacement programs. More specifically, it authorizes about half of the money that has been requested for employee retention, denies approval of the community impact mitigation proposal, and defers all energy replacement to a separate CPUC resource planning process.

In their verbal comments on the proposed decision, PG&E and the parties to the joint proposal will make clear their strong disagreement with these proposed adjustments, and will urge the agency's commissioners to adopt the joint proposal as it stands.

"All of these programs support the key focus of the joint proposal, which is having DCPP serve as a reliable and affordable clean energy bridge to 2025 while other greenhouse gas-free replacement resources are developed to replace the output we need to meet customer demand. Continuing to produce clean energy to 2025, and ensuring a responsible transition to other clean energy resources without increasing greenhouse gases is in our customer's and the

state's interest. Accordingly, we believe the proposal we put forth is appropriate and deserves approval," Stavropoulos said.

According to the CPUC's schedule, parties will next file their written comments on the proposed decision on Nov. 29. They will then have five days to respond to other party comments. The CPUC has indicated that the earliest possible opportunity for a final decision from its commissioners is December 14.

### **About the Joint Proposal**

California's energy landscape is changing dramatically. State policies that focus on renewables and energy efficiency, coupled with projected lower customer electricity demand in the future, will result in a significant reduction in the need for the electricity produced by DCPD past 2025.

Reflecting this change, PG&E partnered with labor and leading environmental organizations on a joint proposal that would increase investment in energy efficiency and renewables while retiring DCPD at the end of its current Nuclear Regulatory Commission (NRC) operating licenses, which expire in 2024 and 2025.

The parties to the joint proposal include PG&E, International Brotherhood of Electrical Workers Local 1245, Coalition of California Utility Employees, Friends of the Earth, Natural Resources Defense Council, California Energy Efficiency Industry Council and Alliance for Nuclear Responsibility.

Recognizing that the procurement, construction and implementation of a GHG-free portfolio of energy efficiency and renewables will take time, the joint parties agreed to support PG&E in obtaining the state approvals needed to operate DCPD to the expiration of its current NRC operating licenses.

This avoided an early shutdown of DCPD and associated negative economic and social impacts, including replacing the plant's output required to meet customer demand with non-greenhouse gas-free resources.

As part of the joint proposal, PG&E immediately ceased any efforts on its part to renew the DCPD operating licenses, and asked the NRC to suspend consideration of the pending DCPD license renewal application. PG&E will withdraw its license renewal application upon CPUC approval of the joint proposal application.

PG&E does not believe long-term customer rates will increase as a result of the joint proposal.

### **Commitment to Employees and the Community**

The parties to the joint proposal are committed to supporting a successful transition for DCPD employees and the greater San Luis Obispo community.

Accordingly, \$85 million has been proposed in support of a community transition plan. PG&E, along with San Luis Obispo County, several local cities and the San Luis Coastal Unified School District, announced details of the revised [community impact mitigation program](#) last November. The proposed funds will also support the funding of essential public services that the plant and the local community rely upon.

PG&E's proposed DCPD employee program will provide, among other things, incentives to retain employees during the remaining operating years of the plant, and a retraining and

development program to facilitate redeployment of a portion of plant personnel to the decommissioning project or other positions within the company.

## About PG&E

Pacific Gas and Electric Company, a subsidiary of [PG&E Corporation](#) (NYSE:PCG), is one of the largest combined natural gas and electric energy companies in the United States. Based in San Francisco, with more than 20,000 employees, the company delivers some of the nation's cleanest energy to nearly 16 million people in Northern and Central California. For more information, visit [pge.com](#) and [pge.com/news](#).

