### BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE

### STATE OF CALIFORNIA

In Attendance: COMMISSIONER MICHEL PETER FLORIO ADMINISTRATIVE LAW JUDGE MELANIE M. DARLING, presiding

PUBLIC Order Instituting Investigation on PARTICIPATION ) the Commission's Own Motion into the HEARING Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Investigation Diego Gas and Electric Company 12-10-013 Associated with the San Onofre Nuclear Generating Station Units 2 ) and 3.

> REPORTER'S TRANSCRIPT Costa Mesa, California February 21, 2013 Pages 1 - 237 Volume - 1

Reported by: Ana M. Gonzalez, CSR No. 11320 Gayle Pichierri, CSR No. 11406

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SAN FRANCISCO, CALIFORNIA FEBRUARY 21, 2013 - 2:05 P.M.

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ADMINISTRATIVE LAW JUDGE DARLING: All right. Will everyone please take a seat. We would like to get started. Thank you. Can you hear me? Yes? All right.

Good afternoon. I'm Melanie Darling. I am the assigned Administrative Law Judge for this proceeding. Today's date is February 21st, 2013. This is a public participation hearing scheduled as part of the California Public Utilities Commission's investigation Number I.12-10-013 relating to the shut down of the two nuclear units at San Onofre as a result of operational problems with new steam generators supplied by Mitsubishi Heavy Industries.

As many of you already know, deciding whether or not Edison may restart either unit under its federal operating license is the job of the Nuclear Regulatory Commission. We are not the Nuclear Regulatory Commission.

This Commission has its own investigation to look at what actions Edison took relative to the new generator project and what Edison has done since the company became aware of the damage at SONGS. SONGS is an acronym you'll probably hear today; it stands for San Onofre Nuclear Generation Station, which currently has the two units.

For example, Edison has collected and spent money for SONGS in several categories since January 2012, including planned operating and maintenance costs, capital expenditures and post outage expenses, including purchase of power to replace that loss with the shutdown. In addition, the entire cost of the steam generator replacement project, including whether repairs or replacement will be cost effective for ratepayers, will be included in our investigation and review.

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Furthermore, state law allows the Commission to remove non-operating generation facilities from the rate base. If the Commission decides to do that or finds any of the expenditures to be unreasonable, we can order refunds to ratepayers.

The Commission and the 26 intervening parties in this proceeding will closely examine Edison's testimony on these various matters at evidentiary hearings which we will be holding later this year. We believe our focus will likely evolve as new information is obtained.

Today, we've decided to spend a small portion of the first session getting information about how well Edison works with local communities regarding emergency preparedness related to the San Onofre station. We've asked Edison to give us just a few minutes to describe its efforts, particularly post shutdown, communicating with its neighbors, and

preparing for coordinated responses in the event of a hazardous condition at SONGS.

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We have also asked some of your local government representatives to share their views on the cooperation and communication between locals and Edison representatives at San Onofre. Following that portion of the hearing we will proceed with individual members of the public.

At this point, I would like to ask Karen

Miller, the Commission's public advisor -- she is your

advocate here, and your source of information on how

to impact Commission proceedings. Could you give us a

little description of how this part will work?

MS. MILLER: Hello. It's on. Okay.

I'm Karen Miller. And as the Judge said, I'm the public advisor at the Commission. And first, I would like to ask everybody to turn off their phones and all of that.

And then my office, we're there to assist the public in getting comments to the Commissioners and the Judge on all issues and proceedings before the Commission. And so we facilitate with these public participation hearings, and we will also provide procedural information and advice to people who want to participate, either on an informal or formal basis. And we are available to talk with you to help you determine, you know, which way you would like to get involved, if you would like to get involved.

We are really glad that you were able to join us tonight because these public participation hearings are really important to the Commission decision makers such as Commissioner Florio and ALJ Darling. It allows them to get a feel for what the impacted consumers believe and think about the situation before them.

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If you wish to provide oral comments today, if you haven't already signed up out in the lobby, please go do so. People will have a maximum of three minutes to speak. If you do not want to provide oral comments or even if you have, you can still send e-mail comments or you can do written comments -- we have paper and pens outside -- and send them to the Commission. They can be of any length. And we send those to the Commissioners and to the Administrative Law Judge. And then they go into the correspondence file of the proceeding. And we also keep track of the numbers that we receive. So they do get the attention of the Commission when you send your written comments.

We also have agendas out at the sign-up table. And on the back of the agendas is the address, e-mail and hard mail address, that you can send comments to.

And, let's see. We want to emphasize that you have many ways to stay informed about this proceeding. We have information on the back of the agenda, and we also have brochures out on our table

about the Commission subscription service which you can sign up for. Put this proceeding number in and you'll get push-out alerts any time anything is formally filed in the proceeding or there is rulings or there are draft decisions or anything that comes out. So you don't have to look for it. It gets pushed out to you.

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And then we also have the Consumer Affairs
Branch with the Commission out there. They're here to
help people who might have billing issues or questions
about their service. And we also have those from San
Diego Gas & Electric as well as Southern California
Edison out there, to also help people with billing
issues or questions about their utility service.

So thank you for your participation. If you have any questions at all, please come out and talk with us. We are more than happy to help you.

ALJ DARLING: Thank you, Karen.

Before we proceed, I would like to introduce Commissioner Mike Florio who has been the driving force behind this investigation and is the assigned Commissioner.

Mr. Florio?

COMMISSIONER FLORIO: Thank you. Good afternoon, everyone. I want to welcome you to this hearing. This is your day. This is the chance for local elected officials, members of the general public, anybody who

wants to speak to this Commission about the issues involving San Onofre, to have your say. It will be recorded and available to all five members of the Commission to review

back in San Francisco.

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This is a lengthy proceeding, I'm sure too lengthy for some folks' wishes. But it's a very complex matter. We will be having formal evidentiary hearings with testimony from Edison reviewed by our staff. A number of interested parties have signed up to participate: Friends of the Earth, Alliance for Nuclear Responsibility, and a long, long list of parties.

As ALJ Darling indicated, we do not have jurisdiction over the nuclear safety issues; that rests with the Nuclear Regulatory Commission. But we do have jurisdiction over non-nuclear aspects of plant safety, reliability of the system, and electric supply for California, environmental impacts of the generation system and, of course, ratepayer costs.

So there will be a number of tracks of this proceeding that will look at different buckets of costs, what's been incurred. We have legal briefing ongoing this month and next that will help to define the parameters of what the Commission can and can't do

under the law. And once that's complete, we will have a series of decisions about different aspects of the costs, what's already been spent, what might be proposed to be spent. It will be a very thorough review.

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At this point, there is still a lot we don't know. We have not seen the Mitsubishi document that's been talked about in the press by Senator Boxer.

We're hoping to be able to get that, just as many of you are. So this will be unfolding over a number of months.

The Commission will be hearing from the public throughout, but this is our opportunity to get your feedback here on the ground in Southern California. We'll have another hearing similar to this in San Diego later this spring because, of course, San Diego is also impacted by San Onofre.

Either in this proceeding or another related proceeding, we will also soon start looking into what do we'll do for electric supply and reliability if San Onofre doesn't come back. That's been handled on kind of an emergency basis up to now through the governor's office. But at this point, we think there is enough uncertainty about the long-term future of the plant, that we really do need to take evidence and have a very thorough look at how we can keep the lights on in Southern California without this very pivotal piece of infrastructure. That will involve cost issues,

environmental issues, greenhouse gas emissions and a
whole -- the whole panoply of considerations that come
into play.

So this is -- we are still early in the process. We welcome your participation. And, as Karen indicated, we have a number of mechanisms for you to stay informed and continue to provide feedback throughout the proceeding.

So I'm going to keep quiet now. It's your day, and I'll be listening carefully to all of the input we have.

Thank you.

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ALJ DARLING: All right. I want to point out that there will be a transcript prepared of this session today. We have a court reporter. So when you are -- she'll be taking down anything said from the podium. So speak clearly and slowly, if you can, to make sure that your comments are taken down. That means the comments shouted from the floor will not be transcribed. So, hopefully, that means we will have an orderly hearing today.

At this point we are going to ask -we'll ask Edison to be making its
presentation. I do want to point out that we
will be asking speakers to come up in groups
of five, once we get to individual members of

the public, so that we can move people
through fairly easily and quickly. I'll call
five names. You'll come up here to the
front. And the public advisor staff will
help facilitate you getting to the microphone
easily. And that way, we don't waste time
and we have a chance to let everyone have

their chance to speak.

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So at this point, Mr. Warden or Mr. Dietrich will be giving us just a few minutes. We have asked you to give us some insight into how well you are cooperating and interacting with your local government neighbors about potential emergency preparedness.

MR. DIETRICH: Thank you, Commissioner Florio and Administrative Law Judge Darling, for this opportunity to speak. And thank you to members of the public for the opportunity to speak for a few minutes here today.

In discussing our outreach and our preparations for emergency preparedness, we thought it would be appropriate to just briefly comment on what the status is of the units and our progress through the Nuclear Regulatory Commission process just to set the framework, some of the timing of our outreach.

As most folks know, very well know, both units of San Onofre have been shut down for over a

year now. Last January, January 9th, Unit 2 was shut down for a normal refueling outage. On January 31st, Unit 3 experienced a small tube leak. Our operators promptly identified, responded, safely took the unit offline and put the unit in safe shut-down condition with no threat or challenge to the health and safety of the public.

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We have conducted a thorough and comprehensive analysis involving many outside experts and expert groups of other companies, competitors of each other in the steam generator business. We worked to assemble a very thorough and detailed expert review that involved challenge of both conclusions that were reached, as well as the decision making that Southern California Edison was using in our response to the confirmatory action letter.

The confirmatory action letter is an instrument agreed to between the Nuclear Regular Commission and the licensee, Southern California Edison, about what it would take to return a unit such as San Onofre to service, the actions that need to be accomplished. In completing our confirmatory action letter response, we engaged pretty specifically with these experts and with many others throughout the industry, and also kept our local elected officials, governments, businesses and those folks informed of the progress that we were making.

We did reach a conclusion where we feel it

was safe to return Unit 2 to service. And so we submitted our confirmatory action letter response on Unit 2 on October 3rd of 2012. That also began a more robust discussion with some of the outside groups because we were able to talk about the conclusions we had reached.

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Currently, we stand working our way through the Nuclear Regulatory Commission process, the technical evaluation review of the submittal that we had made. I will just share with the public, and again with all people here, that our evaluation and analysis is available on our songscommunity.com website in its entirety, and as are most of the other documents and things that support the conclusions we have reached.

From an outreach standpoint, I mentioned that the submittal of our confirmatory action letter was very important to us because we could then go forward and talk about our conclusions. We view our responsibility to participate and discuss matters with our local governments' officials and public very seriously. We approach that in a multi-faceted manner both through our website and through social media. We recognize the emerging importance and use of social media for communicating with folks, but nothing surpasses face-to-face discussions. And we have conducted over 500 meetings with local elected officials. We have conducted over 100 community and

business meetings. And we have conducted 15 briefings at either city council or local county board meetings.

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In addition to that, myself and Ron
Litzinger, the President of Southern California
Edison, had posted and briefed officials within
30 miles of the plant at specific briefings at San
Onofre, to speak with them personally about our
situation, answer their questions, and ensure that
they understood the conclusions that Southern
California Edison had reached.

On top of that, we have hosted open houses in our local communities. We conducted several in 2011. But since our steam generator issue, we hosted three specifically last year, focused on our steam generator tube situation. And there are more to come. Our next scheduled open house in one of the local communities will occur the week of March 20th.

Also, our employees serve as ambassadors.

And there are several employees with us here today from our local public affairs groups and other groups who have the information that's pertinent and applicable for people to be able to ask and receive answers to their questions or route their questions to people within the company to be able to give them a prompt and complete answer.

Speaking of our employees as ambassadors, let me shift now to the emergency response and emergency preparedness organization and the activities

that we have undertaken. Our employees do make up our emergency response organization. And we train and qualify our employees to be able to fill required billets or jobs within our emergency response organization. And we have an emergency response organization that's on call 24 hours a day, 7 days a week, 52 weeks a year, where a team will respond to the site in the event that we need to exercise our emergency plan, and they will conduct specific and thorough communications to all of our local communities, as well as making sure we meet all of our regulatory requirements and station requirements of our emergency plan.

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We view our responsibility to protect the health and safety of the public as very important and essential to our job, and we take a lot of pride in what we do and how we do that. We also focus through our emergency plan and our outreach on those in our communities where English is not their first language. So we have integrated all of those things into our communications approach.

Some specific emergency planning activities that we have undertaken and continue to undertake: We have distributed an emergency preparedness brochure to all 60,000 people and businesses and locations within our emergency planning zone, that is within a ten-mile radius of San Onofre. We have also done 17 outreach presentations with local groups about that emergency

preparedness brochure. In addition, we have prepared Camp Pendleton supplements to that emergency preparedness brochure because we are located on the Camp Pendleton facility and we recognize there are many Marines and military families and groups that reside on Camp Pendleton.

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On top of that, we have worked with
Capistrano Unified School District, the local School
District within our area, and provided a cascading
brochure for instructions and information related to
how we work with the schools and what the schools
should do and in response to an emergency situation or
emergency response activities. That brochure was
reviewed with the Capistrano Unified School District
Parent-Teacher Association. And also we have allowed
and provided school visits, visits of school children
and teachers, to our control room simulator which is
located at the San Onofre facility.

We also engage in multiple emergency planning forums with local groups, including and probably most specifically the interjurisdictional planning unit, which is a group of approximately nine local state and government agencies around the San Onofre Nuclear Generation Station that have some interface and interconnection with our emergency response organization and our emergency planning. We do monthly meetings with the interjurisdictional planning committee. And we also go to several

planning events where interjurisdictional planning committee members are interfacing with other members of the public.

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On top of that, we obviously are required to do, and we do with a lot of pride, our quarterly drills, emergency planning drills, that includes periodically siren tests with mailers and communication with the public about how those siren tests are going to be conducted.

And even on top of that, to ensure that we do get good understanding with all of the members of the public, we have worked through the local AT&T White Pages to distribute a specific section of the White Pages to all residents and people within the emergency planning zone, with a specific section of the phone book to provide instructions and information related to our emergency response organization.

So we have been very focused on, since submitting or confirmatory action letter, providing information regarding the conclusions and decisions that we have reached; also, a technical discussion about what we have learned through our over 170,000 inspections within our steam generators to help people understand and provide the facts related to our situation.

We view our responsibility to consider and protect the health and safety of the public very seriously, and we take great pride in doing that. I

1 would just share lastly that all of our information 2 that I have talked about today can be found on our 3 website, songscommunity.com. 4 Thank you very much, Commissioner, Your 5 Honor. Thank you, Mr. Dietrich. 6 ALJ DARLING: 7 Yes. That is an important reference to your 8 website. We have ordered Edison and San Diego Gas & 9 Electric to post onto their website, so it's 10 accessible not just to parties in the proceeding, but 11 to all of you members of the public, you can get 12 access to all of the documents that Edison and San 13 Diego Gas & Electric are filing in this proceeding. 14 It has a link to the NRC's dedicated page for SONGS. 15 So you can use that website to get an awful lot of 16 information that would in ordinary circumstances be generally more available to parties. So there has 17 18 been a higher level of transparency here, and we are 19 hoping that you make use of that. 20 All right. 21 (AUDIENCE MEMBER COMMENT.) 22 MR. DIETRICH: www.songscommunity, all 23 one string of letters there, 24 songscommunity.com. 2.5 ALJ DARLING: S-O-N-G-S --26 MR. DIETRICH: Community. 27 ALJ DARLING: -- community.com. Okay? 28 All right. At this time, I would

like to thank the elected officials who have taken some time out of their day to come and give us some information about their thinking and about their interactions at the local government level with Edison.

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I would like to start with Mayor Tom Lindsey from the City of Yorba Linda.

## STATEMENT OF MR. LINDSEY

MR. LINDSEY: Good afternoon, Your Honor, and Commissioner.

First of all, I would like to stress appreciation for the public participation hearing format. Very much appreciate that, the chance to be here.

So, as you said, my name is Tom Lindsey, and I am the current mayor of Yorba Linda. Yorba Linda has approximately 65,000 residents, and it's accurate to state that every single resident in Yorba Linda cares greatly about their utility rates.

Our council grapples with other utility rates such as water, sewer and landscape maintenance all the time. We have a little feel for what you're dealing with. It's my duty and honor, then, to relay to you that the City of Yorba Linda cares greatly about your findings here, and especially that our power rates remain fair and equitable. That's all I care to say as the mayor of Yorba Linda.

Now I would like to address you as a

citizen, a 27-year homeowner in North Orange County, and a father of four and a grandfather of five. A week ago, Edison performed some scheduled maintenance on my street for approximately eight hours. It's amazing how a hundred years of technological progress can be erased at the flip of a switch. Out came the candles and lanterns, and out went life as we knew it for that period. Questionably our lifestyles are tied to the power we need, and I don't relish the thought of life without it. My business is with hospitals and in the health care industry. And it's amazing how havoc is immediate when power is interrupted in that environment.

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I was, of course, concerned as I followed the shutting down of the San Onofre nuclear power plant. First, would there be interruption of service? And, second, what would happen to may rates? Thankfully, power has not been interrupted. Hopefully, my rates will remain stable, equitable and consistent with other areas of the country now.

Though I have been briefed as an elected official and have tried to educate myself regarding issues related to the ongoing closure of San Onofre, I would not begin to presume myself any kind of an expert regarding these rate discussions. However, I urge the Commission to consider all factors fairly in order to mitigate and justify any rate changes, whether up or down, due to the factors surrounding the

1 | plant's closure.

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As a citizen, I would like to be well informed of the facts behind any rate adjustments, and task the Commission to keep the public well informed of their decisions in a transparent fashion.

In closing, my perspective -- only my perspective -- is that Edison has served my family's needs problem free for decades. I also believe that the strides taken to assure safety at San Onofre have been and continue to be sufficient to protect my family. With safety concerns mitigated, it's now up to you folks to make sure my rates are fair and equitable.

Thanks for your input and work in this area.

And I would be happy to answer any questions you might have about our local interface.

COMMISSIONER FLORIO: Do you -- I don't know the geography here, obviously, as well as you folks who live within this community.

Are you within the ten-mile radius --

MR. LINDSEY: No.

COMMISSIONER FLORIO: -- that

23 Mr. Dietrich talked about?

MR. LINDSEY: No. We're just east -- just north of the 91. So we're considered inland in Yorba Linda. North Orange County.

COMMISSIONER FLORIO: Okay. Have you had communications with the company about --

1 MR. LINDSEY: Oh, we have probably more 2 communication with Edison than we would like 3 sometimes. And we do have, as a result of 4 the wind storm that we had, we were part of 5 that, I'm told that we have what's now called a flash communication number that is in the 6 7 possession of the elected, but especially our 8 city manager, and that's a protected phone 9 number. So if we had any kind of an 10 incident, we would know where to call 11 directly and go around perhaps too just the 12 regular customer service number. 13 COMMISSIONER FLORIO: That's great. 14 Glad to hear it. 15 MR. LINDSEY: Okay. Thank you very 16 much. 17 ALJ DARLING: Mr. Gene Hernandez, city 18 councilman, also from City of Yorba Linda. STATEMENT OF MR. HERNANDEZ 19 20 MR. HERNANDEZ: Thank you, Your Honor, 21 and Commissioner Florio. 22

I'll try not to be repetitive to what my mayor just mentioned. But I am a city council member for the City of Yorba Linda. But I am not here today in that capacity, but more as a father and grandfather and a resident of Yorba Linda for over 28 years -- actually, resident of Orange County for over

28 40. My concern is focusing on the increased cost for

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electricity and what will happen to Orange County and especially my constituents if, number one, SONGS is not allowed to be a vital part of the California Green Energy portfolio; two, what is the cost we will be subjected to as ratepayers if the 2000-plus megawatts of power has to be replaced if in fact the SONGS facility is shut down permanently, as well as the time it will take to build the replacement plant and transmission lines; and, three, where will the new transmission lines have to go? Plus, where will a new plant be established?

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Renewables are a good thing, but they are not all equally reliable sources of power 24/7, 365 days a year. So Southern California Edison must be able to provide enough base power to serve when the wind doesn't blow and the sun doesn't shine, and, of course, at night when we all plug into our electric items like iPhones, iPads, lap tops, desk top computers, TVs, electronic vehicles, and the list goes on and on. And I'm confident that Southern California Edison and the Public Utilities Commission will do their due diligence in getting the warranty dollars and insurance dollars owed for the SONGS outage. although I'm sure something of those costs will be folded into our rates, I'm encouraging both Southern California Edison and the Public Utilities Commission to be fair and just in this unusual situation.

And that concludes my remarks. I'll

certainly answer any questions that haven't been addressed. By the way, Yorba Linda is the north side of Orange County, probably closer to LA County, but we do feel the power of Edison.

ALJ DARLING: I just wanted to ask you a little -- we spoke a few minutes before this public participation hearing, and you said that Yorba Linda has been actively involved in one of these inner-agency or inner-local government groups that Mr. Dietrich described. Is that accurate?

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MR. HERNANDEZ: Yes, that is accurate. In fact, we did attend on an invite -- actually, I did and a fellow councilman went down to SONGS. I was quite interested, as I read in the papers. I don't know a lot about nuclear power; that's not in my wheelhouse. I'm a retired police chief, so I can tell you about crime for 35 years. But when it comes to power, I'm not there. To me, power is I want to stay away from something that can shock me. So I try to avoid those kind of things.

But they did have an outreach to public officials. I found that very informative. I feel much more knowledgeable on the safety issues that took place or kicked in that -- the backups. I understand why now that did occur and what's been done in the

interim. Bottom line is I want a source of clean, renewable and affordable, safe power for my children and my grandchildren. Like Mayor Lindsey, I also live in the City of Yorba Linda, and with my three children and four grandchildren. We're committed. And this is where our home is and I want to make sure it's safe.

ALJ DARLING: My last quick question. Did this outreach from Edison, did you have that kind of outreach prior to last year?

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MR. HERNANDEZ: Well, yes. As luck would have it, being in city government, one of the agents I worked for was just south of my city. And the Edison liaison I've known for over 35 years. So if I have an issue with Edison, I call her and I get a quick response. So it helps.

ALJ DARLING: All right. Thank you very much.

Miss Toni Iseman. She is from the city council of Laguna Beach, front and center with SONGS.

# STATEMENT OF MS. ISEMAN

MS. ISEMAN: Thank you for having this meeting today. This isn't easy, when I look around the room and I see friends from Edison, people I've known for many years that I don't just know professionally, but personally. And what I am going to say is pretty harsh. We just heard about

evacuation. And if evacuation is part of the mission of Edison in order to have San Onofre remain a power plant, then it should close today.

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I live just outside the 10-mile. And the last time I looked, I'm supposed to go in my house with duct tape and towels. And that's probably not a bad idea because I would just be sitting in my car because there is no way to get out. I challenge you to go down to San Clemente right now, and then at five o'clock try to get back up here. Just try. If it's really important, if evacuation is important, then every single house that's built from this point forward, there should be an EIR and justifying that house in relationship to the traffic that we currently have.

When we've had problems in the past and needed Edison's help, it might be because a power pole went down in Laguna Canyon, a car ran into it. The pole goes down. The traffic's closed. The power might go out. It may be 12 hours before it's fixed. But it's a nuisance, it's not a crisis.

Maybe it's a power pole that is too heavy and it breaks off and falls down. And there is always that potential of fire. But we know that that kind of technology is within the reach of Edison to do the right thing.

But what I would like to say today is we

want all of the documents released and we want full public disclosure on the information.

(Audience clapping.)

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MS. ISEMAN: And before the plant is restarted, if it's restarted, I would like to have it be measured against the least cost option for the consumer.

And I went to one of the meetings dealing with the safety, sat with the head of a hospital, and realized there is a lot of detail involved in how to handle a radioactive body, and just how to keep part of the hospital segregated. And then the question came up with: What do you do with a radioactive ambulance? What are we really dealing with? It's -- if I were a parent that still had a child in this area, I would think more than once about whether I would want to remain in this area.

Now, Edison has the power, so to speak, but you are the ones that actually have the power. You have the power by saying no to the rate hike because if you do, that will, hopefully, notify the ratepayers and, more importantly, the stock holders that something is going on that's not right. It's a real consideration, if you think about health and safety, what's best for health and safety, and that would be to close the plant.

ALJ DARLING: Thank you.

(Audience clapping.)

ALJ DARLING: Mr. Steve Nagel, council member from Fountain Valley. And that will be followed by Martha Sullivan from the San Diego Unified School District.

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# STATEMENT OF MR. NAGEL

MR. NAGEL: I brought my smart phone to look at my notes. Thank you very much for the opportunity to speak today. Thank you, your Honor, and Commissioner.

I am a city council member for the City of Fountain Valley for the last five years, and my obligation to my residents and businesses is their safety. Also, the utilities they pay. We keep in constant contact with the state and local governments. We work together to try to provide those services at a cost that is the most efficient and effective for everybody and within the means that they can pay.

The rates that we're concerned with with SONGS and the nuclear power plant, not only is the safety paramount, as is the everyday safety that we provide to our citizens and residents is very important to us. But with that, we have a nuclear generating plant that's had thousands of tests since it closed last year in January, and it seems to be passing all the tests.

They keep running the tests over and over again with success and no leakage.

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I also have some land down south of the nuclear generating plant that I produce avocados. It's important to me that residents down there and my property is safe from any kind of fallout from the generating plant. I believe it is. As a previous fire official, I had to call Edison many times on accidents, and they provided not only professional assistance, but safety was their first concern. And I know safety is their concern at the generating plant, as well as to all of the residents that live around there.

I was able to tour the plant about ten years ago as a training officer with my city. And not only is security extremely important, but also the safety of all their employees there. So I want to let everybody know that I believe that Edison is doing the right thing. They have been good community partners with the City of Fountain Valley, and not only with community events, but also making sure that educational materials are made available to the residents and they can see what service they provide. But safety is their big concern.

Thank you very much for allowing me to speak today and, hopefully, we can go forward.

ALJ DARLING: Thank you. Miss Sullivan from San Diego Unified School Board?

## STATEMENT OF MS. SULLIVAN

MS. SULLIVAN: Good afternoon. Can everybody hear me?

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My name's Martha Sullivan. I'm here representing Kevin Beiser, who is the Vice President of the San Diego Unified School District Board. Mr. Beiser asked me to represent him. He's a teacher as well as a member of the Board. He asked me to be here to read the Board's resolution that was passed last month on this matter.

The San Diego Unified School District is the second largest school district in California. It's responsible for 135,000 children and, obviously, many, many staff members, teachers, people who take care of the facilities and so forth. So it takes its responsibilities for the care of the children and the adults in its care very seriously.

So on January 22nd the Board voted 4 to 1 to adopt the following resolution: {Reading.}

Whereas, the Board of Education of the San Diego Unified School District believes restarting the defective Unit 2 nuclear reactor at San Onofre will have profound impacts on our children in San Diego

Unified and the surrounding communities in the event of a nuclear accident regarding radiation contamination of air, water and food, evacuation plans and long-term viability of life in Southern California;

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And, whereas, Southern California Edison's four replacement steam generators manufactured by Mitsubishi for the two nuclear reactors at the San Onofre site were shut down after one of their tubes failed and released radiation on January 2012, after less than two years operation while the original equipment operated for 28 years;

And, whereas, Edison informed the Nuclear Regulatory Commission that the replacement steam generators would be "like for like" or "in kind," that is, fabricated to the same design specifications of the original San Onofre Combustion Engineering steam generators, but in fact the replacement generators have significant design changes from the original steam generators;

And, whereas, the NRC has reported that design flaws and erroneous model calculations have led to the malfunction of the new steam generators;

And, whereas, the replacement steam generators in San Onofre Unit 2 and Unit 3 are identical and are both showing excessive early tube wear that the NRC confirmed poses a serious safety problem;

And, whereas, a thorough NRC licensing amendment process would have provided greater opportunity to bring attention to the replacement steam generator design problems, thus increasing the likelihood of preventing use of the faulty design and the ultimate shutdown of the San Onofre nuclear facility;

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And, whereas, failing again now to subject the replacement steam generators of San Onofre to the rigorous and transparent review of the NRC license and amendment process risks repeating dangerous errors;

And, whereas, the consequences of regulators inadequately ensuring nuclear reactor safety are potentially severe;

And, whereas, in a decision filed on December 15th, 2005, the CPUC allocated \$680 million to be paid by the ratepayers for four replacement steam generators manufactured by Mitsubishi at (Edison) San Onofre Nuclear Generation Station (569 million for replacement steam generator installation, and \$111 million for removal and disposal of the original steam generators) with a reasonableness review required for expenses beyond this amount and a maximum ratepayer collection cap of 782 million;

And -- we're almost to the end -- whereas, ratepayers are at risk for paying not only for the crippled replacement steam generators, but also

potentially for costs associated with the outage and with the equipment repair or replacement;

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And, whereas, the PUC Division of Ratepayer
Advocates reports that customers of Edison and
20 percent owner, San Diego Gas & Electric, are paying
about \$54 million a month for operating and
maintenance costs of San Onofre while the facility is
not producing any power, and recommends removing the
San Onofre facility from rates to prevent this from
continuing;

And, whereas, an OII was issued by the PUC on November 1st, 2012, to determine in a transparent public process which parties are responsible for paying the costs associated with the faulty replacement generators, including the costs incurred during the shutdown (for example, replacement power, inspections, monitoring) and the costs of any repairs;

And, whereas, it is therefore critical to create and implement strong contingency plans for alternative power sources to San Onofre, especially those deriving from conservation, energy efficiency and renewable resources, per the State of California's Loading Order, state mandated targets, and Governor Brown's Clean Energy Plan.

Now, therefore be it resolved, the Board of Education of the San Diego Unified School District urges the U.S. Nuclear Regulatory Commission require Edison undergo a public, transparent license amendment

hearing regarding the replacement steam generators, before the San Onofre Nuclear Generation Station is allowed to restart, and that the costs for doing so and the responsibility for paying said costs must also be known before restart is allowed;

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And be it further resolved, that the Board of Education of the San Diego Unified School District strongly supports the California Public Utilities

Commission in: 1) expeditiously completing its

Investigation regarding the costs and reliability of the San Onofre Nuclear Generation Station, and, 2) comparing the reliability and costs of the San Onofre facility to a future based on alternatives, including efficiency, load management, demand response, renewable energy and energy storage.

Adopted and approved by the Board of Education of the San Diego Unified School District at the regular meeting held on the 22nd day of January 2013.

ALJ DARLING: Thank you very much.

(Audience clapping.)

MS. SULLIVAN: I'm going to give you copies of that, as well as the letters and Resolutions by several other cities, the California Democratic Party, and the California Majority Leader Toni Atkins.

ALJ DARLING: Great. Thank you. You can give those to this gentleman right here.

Our last elected official, representative from the City of Long Beach on behalf of Patrick O'Donnell, city council member, Bridgette Sramek.

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## STATEMENT OF MS. SRAMEK

MS. SRAMEK: Good afternoon. Council Member O'Donnell with the City of Long Beach, excuse me, has asked me to extend his greetings and read the following into the record.

As a member of the local city council, I am writing this letter to voice my support for SONGS and SCE's proposed safe restart of the facility. Excuse me. I have a cold.

SONGS provided important baseload electricity that contributed to the electrical support of the region. This baseload allowed for up to 2200 megawatts of clean, emission-free electricity, nearly 10 percent of the region's power needs. If SONGS were to remain offline, I have concerns about the time frame in which SCE will be able to provide its customers, who also reside in my district, with alternative sources of energy. Excuse me.

Thank you for your thoughtful and rational review of the support and energy issues impacting the quality of life for those of us in Long Beach and throughout the greater Southern California region.

Please feel free to contact me with any

questions. I would like to thank you all for your consideration.

ALJ DARLING: Thank you very much.

Actually, there is one additional representative from the Long Beach City Council, Steven Neal.

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# STATEMENT OF MR. LIVINGSTON

MR. LIVINGSTON: Thank you for giving me this opportunity to speak. I'm here representing Council Member Steven Neal, City of Long Beach. My name is Floyd Livingston. He is not able to be here, but asked me to read a letter in support. {Reading.}

I'm writing to express my support for the fair and inclusive regulatory process currently underway for the proposed restart and operation of SONGS Unit 2.

As a local elected official representing the Ninth District City Council in the City of Long Beach, I strongly believe that maintaining a public and transparent regulatory process is vital for the quick restart of SONGS. In addition to having providing decades of safe, emission-free electricity in Southern California, SONGS has also been a major source of well-paying jobs for highly skilled workers, creating a solid middle class livelihood for families throughout the region.

Not only does SONGS employ hundreds of

people directly, SONGS also employs hundreds more indirectly through companies that provide goods and services for the plant -- to the plant.

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Nuclear baseload electricity has a lower production cost than coal or natural gas, helping reduce the price of electricity. SONGS's baseload electricity cannot be duplicated by other clean power facilities such as wind or solar farms which are not able to constantly run or produce equivalent levels of power or voltage support.

Thank you for taking into consideration not only safety and the environment, but also quality of jobs and the cost of electricity to consumers as you review this important information and important issues facing Southern California.

I will leave my contact information with your staff, and I will be happy to answer any questions. Thank you.

ALJ DARLING: Thank you.

Gia Ly from the City of Westminster,

Commissioner, followed by a representative from

Assembly Member Majority Leader Toni Atkins.

#### STATEMENT OF MS. LY

MS. LY: Hello. Thank you for having me here. Hello, everybody. My name is Gia Ly, and I serve in several capacities. I am the City of -- Commissioner at the City of Westminster in the Community Services and

I also am a resident and 1 Recreation. 2 business owner in the same city. On the 3 other hand, in the community capacity I also 4 serve as the chair-elect of the 5 Vietnamese-American Chamber of Commerce, which has been established since 1985, and 6 7 representing 1500 businesses that are our 8 members in the US, but with the majority in 9 Orange County. 10

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I am here today to express support for a fair and inclusive regulatory process currently underway for the proposed restart and operation of the San Onofre Nuclear Generation Station Unit 2. And from a resident and business standpoint, I understand that with the growing electricity demand, businesses in California will need even more clean, reliable and efficient electricity to keep running without interruption day and night. And I -- as a business owner, it is a business run and operated as well. So I am having hands-on experience and operations of the business. And I am very concerned about the safety of the community as a resident, as well.

And I understand that the California economy is facing a tough uphill climb of the recession. It is no surprise that companies

have been leaving California in search of lower costs of doing business. And I understand that nuclear power is one of the lower costs producer of baseload electricity and has a lower production cost than coal or natural gas, which helps reduce the price of electricity for businesses.

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And the electricity bill is one of the highest that we have in our industry, especially with the refrigeration and lighting and everything else that we have to deal with on a daily basis. And with current prices of natural gas that account for the rise in electricity production, it is important to maintain a diverse energy mix that will dampen any swings in fuel prices and the availability of any single energy source.

And in addition, I also had one-on-one meeting with the Southern California Edison management in the business division at their plant in Santa Ana on November 3rd, 2012. I have seen that SCE, Southern California Edison, has been committed to supporting local businesses to raise awareness about the environment. They have been promptly responding to inquiries about the plant and educating residents on the benefits of nuclear energy with online and in-person information about a plan and, you know, with the information booth, exhibits, staffed by San Onofre subject matter experts focusing on various areas of

the plant, including emergency planning, steam generators, safety and community partnership.

Therefore, I am here again today to express my concern and support for the restart of Unit 2.

Thank you so much for your time.

ALJ DARLING: Thank you. Our last elected speaker -- because I promised to move to individual representatives of the public by 3 o'clock -- so Deanna --

MS. SPEHN: Spehn.

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ALJ DARLING: Spehn. Thank you.

### STATEMENT OF MS. SPEHN

MS. SPEHN: I am Deanna Spehn, policy director for State Assembly Majority Leader Toni Atkins. You should have a copy of my letter. {Reading.}

The ongoing shutdown of the San Onofre Nuclear Generation Station, and the resulting effects on the provision of safe and reliable electric service at just and reasonable rates are a significant concern to the millions of Southern California residents whose monthly energy bills have become the deep pockets of SONGS. Since January 2012, ratepayers have paid Edison and SDG&E for return on investment of operation and maintenance costs for non-functioning units at a cost of 54 million per month.

In 2012, Edison customers paid 739 million, and SDG&E customers paid 253 million. And in 2013,

customers continue to pay at the same level. The shutdown of SONGS occurred on January 31st, 2012.

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Of critical importance is a full and complete assessment of what costs, if any, are appropriate for recovery from ratepayers. I join with the Division of Ratepayer Advocates in requesting that SONGS immediately be removed from the rate base for Edison and SDG&E. When Units 2 and 3 went offline in January 2012, SONGS stopped generating electricity and has not been providing any ongoing benefit to customers.

Of equal importance is the safety and well-being of the more than 8 million residents and those who work at SONGS whose health would be affected if there were less than adequate safety considerations by Edison and SDG&E. The PUC should expand the economic evaluation of SONGS to include enhanced safety plans and a complete analysis of the cost of SONGS operations, including seismic studies, complying with state mandated elimination of once through cooling plants and managing the long-term storage of spent uranium on site.

The current license ends in 2022. With less than ten years left, the PUC has the opportunity to provide the public with a complete assessment of the operations and maintenance costs for SONGS and potential upgrades to meet seismic safety standards.

A transparent and comprehensive

investigation will help restore public confidence and the state's ability and willingness to be fully accountable to ratepayers on the issues of safety and the reliability of SONGS. I look forward to the May 13th through 17th evidentiary hearings.

Finally, in 2007 over 500,000 San Diego

County residents were forced to evacuate as

fast-moving wildfires swept through the region. Up

until then, no one had anticipated the need to order

the evacuation of so many people with such little

notice. Now is the time for both San Diego and Orange

Counties to adopt comprehensive emergency preparedness

plans should there be a life-threatening and/or

health-threatening incident at SONGS.

Warmly, Toni Atkins, Majority Leader, 78th District.

Thank you very much for your time today.

ALJ DARLING: Thank you.

(Audience clapping.)

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ALJ DARLING: Okay. I'm going to call out the names of the first five individuals on our speaker list. If you would come up and take five seats to my far right, and the public advisor staff will help get you up to the microphone. Our public advisor staff is also going to give you a one-minute warning for your three minutes so you can wrap up your thoughts.

Steve Adams, Jackson Mueller, Ray
Lutz, Diane Moss, and Grace VanThillo.

If I mispronounced anyone's name, I'm sorry, please correct it for me when you come up.

Mr. Adams.

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### STATEMENT OF MR. ADAMS

MR. ADAMS: You got mine right. Thank you. Your Honor, Commissioner, thank you for the opportunity to speak.

I'm a local businessman. I've been in the community for most of my life. I am within that 10-mile radius of SONGS. We, the people of Southern California, have grown accustomed to consistent, reliable power to light our homes, to run our businesses and to protect our health and welfare. We don't want brownouts or blackouts or inconsistent electricity. It's dangerous, and it's costly and damaging to our equipment and our businesses, and it disrupts our lives.

SONGS has provided a necessary base for our electrical grid and consistent clean power to our homes and businesses since 1968. Hundreds of billions of kilowatt hours have been produced. Southern California Edison has run the facility professionally, with safety being their primary concern in compliance, with renewable energy requirements a major factor.

SCE has shown good stewardship through the years of upgrading and improving the facilities at San

Onofre. The nuclear industry has become safer every year, as we learn from the experiences around us. We have bright students and universities all over this country in nuclear engineering who are learning to improve our use of nuclear power as a safe and abundant power source. Nuclear provides more than a third of the renewable energy in the state.

There is a cost to providing consistent, clean energy. Upgrades, renovations, improvements cost real money. Who pays for that is what you will decide. My hope is that you will allow SCE to finish their process with the NRC and fairly determine how to allocate those costs of this shutdown and the need for alternative, more expensive energy. We simply can't allow emotional minorities to impede the thorough and rigorous process that you are in the middle of right now.

Thank you.

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ALJ DARLING: Thank you. Mr. Mueller?

STATEMENT OF MR. MUELLER

MR. MUELLER: Commissioner Florio,

Administrative Law Judge Darling, my name is

Jackson Mueller, a resident of Orange County.

My expertise as an energy consultant is in

energy pricing. I represent a number of very

large consumers of energy in California and

around the world, specifically here within

Southern California, TABC, which you would

1 know as Toyota Auto Body Company, and JM
2 Eagle, which is the world's largest
3 manufacturer of plastic pipe.

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Given due respect for safety,
environmental responsibility, licensing and
public responsibility, the California PUC, as
well as the Federal Energy Regulatory
Commission, will be looking at cost of
repairing, insurance opportunities,
replacement power, long-term transition
meaning long-term requirements of power,
considering what ultimately is done with the
SONGS plant, and certainly the community
involvement in assessing the process.

In my energy consulting business which includes Europe, which is about 65 percent nuclear power, I find that my very large energy consumers often have very high levels of interest in the cost of energy, certainly very energy intensive manufacturing businesses. And while we talk somewhat calmly about the potential process and all the steps that might be appropriate to look at what has happened at SONGS, what sort of things might be done over the longer term, what's the most responsible thing to do, the market, which I deal with very, very actively, really looks at things a lot more

1 quickly than that. And the market right now, 2 if you take a look at day-ahead electricity 3 prices, right now the price for Southern 4 California is about \$45 a megawatt hour; 5 whereas, the price in Northern California -and, yes, there is a nuclear power plant 6 7 there at my alma mater, PG&E -- the price in Northern California is about \$35 a megawatt 9 hour. 10 So I encourage you and certainly others who 11 will participate in this process on behalf of my 12 clients to have a thorough review, look at cost 13 responsibility, supply reliability, greenhouse gas 14 emissions, and other considerations for a long-term 15 supply. 16 The market has already reacted to the 17 uncertainty that exists right here. So the more that 18 you can add certainty to the process and due 19 diligence, I think we all will benefit. 20 Thank you. 21 ALJ DARLING: Thank you.

Mr. Lutz?

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#### STATEMENT OF MR. LUTZ

MR. LUTZ: Thank you very much. My name is Ray Lutz. I am a resident from San Diego County area. And I do some activism through a group called citizensoversight.org. Now, I understand the CPUC and other plants,

non-nuclear plants, is responsible for both safety and financial matters. However, in the nuclear plants you split the responsibility with the NRC. And so because of the split, it brings up the chance that things will fall through the crack or there will be finger pointing about whose responsibility it is.

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Of course, we know that NRC is about safety. And I talked to them about this nuclear -- the steam generator disaster, and they said it was a success story because they were able to shut the plant down successfully without any problem. And so all of their safety systems worked correctly.

It's not their concern that we lost a billion dollars. I's not their concern that the steam generators don't work. That's your problem. You guys started this project in 2005 with a whole bunch of assumptions about these steam generators would be great. Almost all of that has turned out to be false. And you have almost no oversight.

And I understand Edison hasn't even provided any feedback about whether they spent the money right. Why aren't you overseeing this? That's what I would like to know. Why is the CPUC asleep at the wheel until a disaster happens? And you're behind about two years about asking them for what they did.

Now, in 2005, I read the decision at that time, and there was a whole bunch of findings. And number 153 says -- and this is in response to the model that you have there, that this model -- this financial model shows that you should not run this plant with only one unit in operation. Of course, at that time Edison wanted to rush the project into place because they like these big projects. They make a lot of money on them. So they wanted to not live out the life of those old steam generators. As was the case from SDG&E, they said live it out. And Edison said, no, we want to rush it into place.

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And your finding was that it's not financially viable to run the plant with only one unit in operation. So why do you have to spend years or months reviewing this when you already have a finding? You've already decided that you can't financially viably run this plant with only one unit. And that was with the unit that was in operation still working at capacity.

Shut it down now. You've already decided that you can't run this financially viably. Now is the time. You know, a lot of people say it's green energy. It's not. Anybody should research this that comes up here and says it's green energy, wrong. All the way through mining, all the way to waste disposal, it's a mess. It's not cost effective. Obviously, it's not reliable. They have to have other plants in

1 the process in order to cover for nuclear power 2 because of all the refueling steps. 3 ALJ DARLING: Thank you very much. 4 MR. LUTZ: Now is the time to shut it 5 down. Thank you very much. 6 ALJ DARLING: Diane Moss will be next. 7 I would like to call to the front of the 8 9 room Bryan Starr, Heidi Larkin-Reed, Scott 10 Dutenhoefer, Devin Dwyer and Ed Munson. 11 Miss Moss. 12 STATEMENT OF MS. MOSS 13 MS. MOSS: Hello. I'm Diane Moss. 14 represent the Friends of the Earth, a 15 non-profit public interest group with members 16 throughout Southern California. 17 Friends of the Earth has published four 18 expert technical reports on the San Onofre Nuclear 19 Generation Station over the past year, as you probably 20 know. And, as you also know, most likely were 21 intervenors in the OII proceeding this Commission 22 instituted in the Fall of 2012. 23 Just as background, Friends of the Earth 24 also has two actions initiated before the NRC, 2.5 claiming that Edison needs a license amendment before

going ahead with their dangerous experimental restart

These actions before the NRC have been briefed

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plan.

and we are waiting decisions.

Friends of the Earth greatly appreciates the Commission taking the time to hear public officials and concerned members of the public. If Friends of the Earth could leave you with just one thought this afternoon, it is the urgent need for the earliest possible decision to be reached on whether or not Edison acted prudently in installing and operating steam generators of apparently defective design at the San Onofre reactor.

Such a decision will decide the fundamental issue as to whether or not any additional funds should be spent on this aging and crippled plant, and what is most cost effective for the consumers. Edison's customers, the Edison company itself and the reliability of the power supply will all benefit from the earliest possible conclusion of these issues by the Commission.

Thank you.

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ALJ DARLING: Thank you. Grace VanThillo.

### STATEMENT OF MS. VAN THILLO

MS. VAN THILLO: Hello. I'm a San Clemente resident and a SDG&E ratepayer. And using common sense, we ratepayers should not be paying hundreds of millions of dollars for Edison's mistakes, the lengthy inspections, the regulatory costs and the replacement power costs because of a defective steam

generator design and fabrication. In fact, ratepayers deserve refunds for hundreds of millions of dollars that we've already paid for.

(Audience clapping.)

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MS. VAN THILLO: New revelations from the ongoing investigations reinforce that San Onofre nuclear plant is neither cost effective nor is it a reliable source of California's power. With climbing costs, please, Your Honor, the CPUC must put the brakes on. We're depending on the CPUC to keep the plant closed and cut our ratepayer losses. San Onofre, in fact, must be decommissioned, and invest any saved funds in our state and what the governor wants, a renewable energy economy. Ratepayers have already paid \$3 billion into the decommissioning trust fund which should be used.

Edison's recent outreach video to all city managers about grid reliability really doesn't reflect the whole picture of the ISO and the Energy Commission. In fact, the California Energy Commission has just reopened its technical assistance program, energy partnership program, innovative technologies and energy efficiency to help

civic and business ratepayers save energy and efficiency and to increase Southern California jobs.

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Hopefully, also, our state attorney general is also dealing with JP Morgan to assure that the synchronous condensers at Huntington Beach will be in operation, all to support grid reliability.

CPUC's Energy Division Director Edward
Randolph has said recently the costs for solar are
going down and the market is heading to
self-sufficiency. We already have 1,066 megawatts or
enough output to -- for two conventional power plants
and one old nuclear reactor. Bloomberg News and
SunEdison in India even says that by 2022, they're
going to have 20,000 megawatts of solar. We can do
that here in California and the western states.

Keep San Onofre nuclear plant closed. It's costly, it's defective, and it's a dangerous non-emission free nuclear energy cycle. Thank you.

(Audience clapping.)

# STATEMENT OF MR. STARR

MR. STARR: Good afternoon,

Commissioner Florio and your Honor. My

name's Bryan Starr, senior vice president for

the Orange County Business Council. The

council represents 250 of Southern

California's largest businesses employing

over a guarter million men and women here in

the region, and 2 million globally.

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Orange County is leading California's economy in terms of recovery and Orange County enjoys the lowest unemployment in the state and continues to power California's job growth. All good news.

However, this recovery is fragile, and any number of occurrences can easily reverse our course. Reliable power is critical infrastructure that must be ensured for our residents and businesses. A loss of reliable power will be devastating to Southern California's economy. Increased costs due to limited supply of reliable power will also have serious negative impacts.

So this begs the question: If not SONGS, then what? If San Onofre is not restarted, what are the alternative sources of energy that can sufficiently power -- provide power to SCE customers immediately? Business and industry are extremely concerned about our ability to keep the lights on. The question of how to fully power our region must be answered. Broad statements about alternative sources of energy not do.

On behalf of the business community in Orange County I respectfully ask the question: Is the CPUC or any other state body working on contingency plans for this summer? Our region must have immediate certainty when it comes to how to keep the lights on now and in the future.

1 Thank you.

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your question, ever since the plant first
went down, the governor's office has had a
multi-agency task force. They worked to get
the Huntington Beach units back on last
summer, do a number of transmission fixes.
They're working on the synchronous condenser
conversion that was mentioned earlier. A lot
is being done.

We're, you know, unfortunately, in something of a crisis atmosphere that hasn't been as transparent as we would like, but I'm hoping to launch a contingency planning proceeding in the next couple of months. We now have a study from the independent system operators, so we will be looking at that as a contingency plan and what we can do.

And if we don't have the plant this summer,

I'm sure you and your members will be hearing from

Edison about new programs to help manage the load when
the weather gets hot or we have fires under

transmission lines. So I look forward to working with
you.

MR. STARR: Thank you, Commissioner.

The business community stands ready to act as a resource in that effort. Thank you.

ALJ DARLING: Heidi Larkin-Reed.

# STATEMENT OF MS. LARKIN-REED

MS. LARKIN-REED: Good afternoon, your Honor and Commissioner. My name is Heidi Larkin-Reed. I am the CEO of the Orange Chamber of Commerce. I am also a former mayor of Apple Valley and a resident of Mission Viejo.

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And my question is about public engagement and timing. We all saw concerns, as just expressed, by the Orange County Business Council of our members. We would like to see this process moved along as quickly as possible so that our business community would have reliable power. We would also like to see what other opportunities for input for our business community and also key milestones that are a part of this process. And we would hope that this process would take months and not years. We would like to get our reliable energy up and running again, up to and including SONGS.

Thank you.

ALJ DARLING: Thank you.

Scott Dutenhoefer.

#### STATEMENT OF MR. DUTENHOEFER

MR. DUTENHOEFER: Scott Dutenhoefer with the Orange Chamber of Commerce, chairman of the board, representing almost 500 businesses, including very large businesses, hospitals, and other manufacturing

facilities. And I'm a business owner myself. 1 2 I just wanted to applaud your efforts in this 3 opportunity that you have given the public to 4 speak to this issue. As you can tell, 5 there's been divergent views on this, but this is healthy. This is a healthy 6 7 discussion of the issues. And with your 8 efforts, you know, literally thousands of 9 people have been able to make their voices 10 heard. And I believe this is really a 11 healthy, healthy thing. It's very vital for 12 all parties to the issue to be heard. So I 13 just want to applaud your efforts today. 14 Thank you. 15 ALJ DARLING: Thank you. 16 Mr. Dwyer next. And then the following 17 speakers can come forward: Patricia Borchmann, Joe 18 Holtzman, Emil Bereczky, Mindy Spatt, and Harvey Eder. 19 All right. So Mr. Dwyer. 20 STATEMENT OF MR. DWYER 21 MR. DWYER: Yes. Thank you, Your Honor 22 and Commissioner, for allowing me to speak. 23 My name is Devin Dwyer. I am a former 24 council member for the City of Huntington Beach. Ι 2.5 just came off last December. As a citizen of 26 Huntington Beach, you can imagine I'm quite interested 2.7 in this particular issue.

I know we came within 50 megawatts of

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actually having brownouts this last summer, and I know eight -- it takes 18 hours to get up and running because it is an old steam generator. And my understanding is that the new turbine generators that they plan to bring in probably won't be up until about 2020.

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So I'm really here as an advocate of a reliable energy grid. I own a construction company. And when we were having the brownouts in 2003, my company was specifically putting generators in for companies in the South Bay area -- South Bay meaning down here near LA, not San Francisco. And some of the companies, probably half of the companies, after we showed them what it would cost, chose to actually move out of state. So I would hate to see us get into that same situation here in the Orange County area. As you heard from Bryan Starr, we're kind of the rising star out of the State of California coming out of this recession.

So it is my hope that we can come to an early decision on this. And part of a reliable grid, I think SONGS is part of that reliability as having that generation and also bringing up these new turbines over time. But I think in the short term — and if we were to try and build an electric plant, and I know this through development, anywhere built along the coast here, it will take years and years and years to get it through the process.

1 So I appreciate your allowing me to come up 2 here and speak to you. And have a good afternoon. 3 ALJ DARLING: Thank you. Mr. Munson? 4 STATEMENT OF MR. MUNSON 5 6 MR. MUNSON: Members of the Commission, 7 thank you for allowing us to speak today. 8 We are in full agreement of the use of 9 nuclear power. It is vital that we maintain a 10 consistent and uninterrupted power source. And the 11 San Onofre power plant is vital to the continuity of 12 our business communities. If our businesses are 13 inconvenienced, our residents suffer as well. 14 Our mission is to help build and maintain 15 the best possible economic climate, and that includes 16 being an advocate for our strategic partners who 17 deliver convenience in a safe, economical and timely 18 manner. We have every confidence in the Southern 19 California Edison Company, as well as the NRC and the 20 PUC, in making valued decisions to help our 21 communities be the best they can be. 22 Thank you. 23 ALJ DARLING: Miss Borchmann? 24 STATEMENT OF MS. BORCHMANN 2.5 MS. BORCHMANN: Thank you. My name is 26 Patricia Borchmann. I am a resident of the 2.7 City of Escondido in San Diego County.

I want to thank the Commission for holding a

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hearing here in Orange County near the impacted
community. And I am very happy to hear you will also
be having hearings in San Diego. So thank you.

It's an observation because the NRC has

It's an observation because the NRC has recently been holding some hearings in Maryland --

ALJ DARLING: Can I ask you to speak closer to the microphone so others can hear you.

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MS. BORCHMANN: Okay. My observation is based on, you know, the fact that the Nuclear Regulatory Commission has recently been holding a series of important hearings regarding the San Onofre case with hearings held in Maryland. So, you know, it's so far away that impacted citizens cannot realistically, you know, play an active role. So I really appreciate your effort to interact directly with the public.

I've heard a lot of businesses and representatives from chambers of commerce, you know, reflect their concerns about the risk of unreliability of, you know, power sources. And, you know, that's understandable. However, I think that it's important that the PUC carefully consider, you know, actually what the risks and actual economic costs, which I don't think have been factored into this whole equation, about what

1 if there were a, you know, Fukushima-type disaster. You know, all these estimates of, 2 3 you know, if all our power sources were 4 interrupted for, you know -- if we don't start Unit 2, you know, we'll be devastated. 5 You know, I don't think so. 6 7 And, you know, the CPUC's already aware that 8 the ISO is projecting, you know, ways to operate a 9 reliable power system to generate power for Southern 10 California without San Onofre. They're having to do 11 that already. And I think that that's a very central 12 necessity. 13 Your role is to act in the public interests, 14 as you know and, you know, to guarantee the ratepayers 15 are provided with reliable, long-term -- short and 16 long-term reliable sources of service. And I think 17 that the money that is considering being spent to 18 restart Unit 2 could easily be put to a more 19 productive, more positive use by allocating it instead 20 to renewables and a more immediate transition to a --21 the future source of power. Thank you. 22 (Audience clapping.) 23 ALJ DARLING: Thank you. 24 Mr. Holtzman? 2.5 STATEMENT OF MR. HOLTZMAN 26 MR. HOLTZMAN: Yes. My name is Joel 2.7 Holtzman. I live in Mission Viejo,

16.8 miles from San Onofre.

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Any discussion of SONGS has to talk about reliability and costs. SONGS has not been reliable. I counted 54 times in the last 84 months that SONGS has either been up or down. So it's not reliable. It's been off for the last year. We didn't miss it. We had the hottest summer in Southern California in the last three months of the year than we have had. So check that out.

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As to the evacuations, I live in Mission
Viejo. I have been part of the Saddleback Unified
School District's facility committee. I know that the
Capistrano Unified School District has told us they
have to borrow our buses to evacuate their kids. Do
you think they're gong to be able to get down 16 to
17 miles to take kids out of there? No way. Not on
Southern California roads if there is an emergency.
It's not going to happen.

Now, we talked about reliability. I talked about that.

Number two, costs. Oklahoma Power and Gas, where I have another one of my businesses, charges me 6.7 cents per kilowatt hour. The minimum kilowatt hour cost here in Southern California Edison is 13.1 cents at the Tier 1 level. Okay? That's twice the rate. If you just go up to Anaheim, which is a municipal district, they're one-third less. Edison is not cheap.

As far as green, nuclear is not green. From

the mining, the processing, the transportation and the disposal, it's not green. We are leaving a legacy of 500 million years for our children to deal with. And they've got every bit of the nuclear waste that's ever been produced sitting down there right now.

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Now, throughout the world there is a hundred gigawatts, a hundred gigawatts, of solar power; 32 of that hundred gigawatts is in Germany; 7.5 of the gigawatts is in the United States. We can do it.

Germany has a plan by 2030 to be off of nuclear, and they're going to be going with renewables.

It's time to change. And also to wrap up,

I've got document after document here of Edison's

deceitfulness, from falsified customer satisfaction

surveys, from falsifying health and safety issues, on

and on and on it goes. Here it is. If you would like

copies of it, I'll make you copies of it.

My old basketball coach used to tell me
"watch the belly button. The belly button can't go
left or right. If you keep your eye on the belly
button, you're going to watch them."

Well, keep your eye on Edison's belly button, instead of their mouth.

(Audience clapping.)

ALJ DARLING: Thank you.

Mr. Bereczky.

# STATEMENT OF MR. BERECZKY

MR. BERECZKY: I am Emil Bereczky, a

registered professional engineer in

California in two different disciplines, and

I have at least 50 years of what I believe is
relevant experience.

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My wife and I are attending these meetings to supported Edison in getting approval to start up their plant -- or both plants as soon as practical. The power is needed. The power these plants could produce would reduce the chance of us facing brownouts and blackouts in the near future.

In order to add credibility to ourselves and our position, we would like to tell you that our home is fairly close. It's in Placencia, which is, for Mr. Florio's benefit, is adjacent to Yorba Linda. And we have three married sons: One is East Anaheim, one in Irvine, and one in Ladera Ranch. So should any disaster occur, we could immediately be affected.

We would also like to note that no one, as far as we know, in the history of nuclear power generation in the United States have been killed by radiation.

(Audience comments.)

ALJ DARLING: Please contain your remarks until when you have an opportunity in front of the podium. And give the speaker respect. We would like to hear his comments, just as we would like to hear everyone's comments.

Please proceed.

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MR. BERECZKY: And we would like to add that as far as we know, the subject plant's safety and radiation detection systems worked, and no one inside the plant, much less outside the plant, have been hurt by radiation or exposures or any other reason.

Now, it has been reported that the tube damage was due to vibration which is a design error. It is not specific to nuclear power plants. Tube vibration could be petroleum refineries, fertilizer plants, or even in a Hershey Chocolate Kiss manufacturing plant. It is a design issue.

The single issue opponents of the plant restart, and nuclear power I might add, should get real -- realistic, put their emotions aside. Get out of the way. They have no credible issue. It's a song. As a show of sincerity --

(Audience comments.)

ALJ DARLING: Excuse me. I'm giving him an extra few seconds because his time is interrupted, as it is again. So I'm going to give you about 30 seconds to wrap up.

MR. BERECZKY: That's enough. As a show of sincerity and your good faith, the single issue opponents should volunteer to have Edison disconnect their power supply

1 whenever an electric shortage is predicted. 2 With the new smart meters, this should be 3 easy to accomplish. We request all 4 regulatory agencies to approve immediate 5 plant start-up. Thank you. 6 ALJ DARLING: Thank you. All right. 7 (Audience clapping.) 8 ALJ DARLING: The next speaker will be 9 Mindy Spatt. And the next five speakers to 10 come forward will be Patti Davis, Steven Rose, Ruben Franco, Deanna -- oh, Deanna 11 12 spoke. Mel Kernahan and Armida Brashears. 13 (Audience comments.) 14 STATEMENT OF MS. SPATT 15 MS. SPATT: Thank you. TURN, The 16 Utility Reform Network, is a party in this 17 case and we appreciate this opportunity to 18 address the Commission and the public. 19 TURN has been representing California 20 consumers for 40 years. And our main goals are 21 affordable bills and accountable utilities, and those 22 are the two reasons we are here today. 23 Accountable utilities, that means 24 accountable for their mistakes, and Edison made a 2.5 colossal one, a \$665 million mistake that right now 26 customers are on the hook for. 27 Edison -- Edison's steam tubes are 28

defective. That's Edison's problem. We are demanding

immediate refunds for customers for Edison's mistakes. 1 2 (Audience clapping.) 3 MS. SPATT: The lives and costs of 4 replacement and power are an unfortunate 5 result of those mistakes. And, once again, those are mistakes that Edison should be 6 7 health accountable for. Utility companies 8 must pay for their mistakes out of profits, 9 not out of rates. 10 And speaking of profits, everyone should be 11 aware that Edison is actually asking for profits as 12 well as costs of these defective steam tubes. 13 Customers should not have to pay a single 14 penny for costs incurred to own an inoperable nuclear 15 plant. 16 In addition, we would be very interested in 17 hearing from the other speakers how many of them have 18 received money from Edison in its community grant 19 program. 20 Thank you very much. 21 ALJ DARLING: Thank you. 22 Mr. Harvey Eder. 23 STATEMENT OF MR. EDER 24 MR. EDER: Good afternoon. My name is 2.5 Harvey Eder. 26 COMMISSIONER FLORIO: It's been a long 2.7 time, Mr. Eder. 28 MR. EDER: Yeah, it's been a long time.

We go back to TURN days with Sylvia Seagull, when I was an expert witness for TURN in some of the first solar hearings that were held, and Commissioner Florio was an attorney with TURN.

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I've been working in solar energy for close 40 to years. If this power plant is not shut down and decommissioned, I'll feel like I was in the desert for 40 years. But the time has come now to use and to implement solar energy.

(Audience clapping.)

MR. EDER: I'm with the Public Solar

Power Coalition. The \$600 million that's

been overcharged here, as well as another

half a billion dollars that's -- that was not

used for energy efficiency should be put into

a fund -- you know, a half a billion here, a

half a billion there, pretty soon you're

talking no money -- it should be used to

start public solar power.

You have -- as other gentlemen pointed out, it's about 20 to 30 percent less expensive if using conventional power. You have the price of solar coming down. It's come down about two-thirds in the last three years for photo voltaics. The price of money has gone down. Interest rates are at the lowest almost they've ever been. And when financing solar,

what's happening now is with photo voltaic systems, third-party financing is coming in and people are getting solar at less than what they're paying for their electric utilities and they're saving money.

We're involved with litigation now with the Air Pollution District to try to get them to implement a solar conversion plan for their 2012 plant for the South Coast District.

You have proceedings on storage under Assembly Bill 2516, and it shows that we can use like compressed air storage and underground, as well as pump storage and other technologies. And you have community choice aggregation hearings that you are also involved with now. And these should all be used and the money should be put into a fund and used for public solar power conversion.

Thank you.

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ALJ DARLING: Thank you.

(Audience clapping.)

Miss Patti Davis.

## STATEMENT OF MS. DAVIS

MS. DAVIS: Hi. Thank you,

23 | Commissioner Florio and Judge Darling. My

24 | name is Patti Davis. I am a mother of three

25 | children. I live in San Clemente. I'm a

26 | long-time resident there, now 12 years. And

27 | I can tell you that as a mom, I am very

28 | involved in the PTA, very involved in all

kinds of civic organizations and groups. I

feel that \$54 million a month and counting of

ratepayer's money is not cost effective.

It's not cost-effective energy generation.

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A nuclear power plant that has been down for over a year, but still requires energy from the grid to prevent a meltdown, that is not reliable energy.

Nuclear reactors that leak radiation is not safe energy.

It appears, now, documents are coming out leading us to believe that Edison knew about these flawed designs before installing these steam generators at the Unit 1 or Unit 2 and Unit 3. And we're all waiting for that news. If that is correct, that is a criminal act. And if it is, as Edison states, when they say "we would not knowingly install defective steam generators," that just points to Edison being clueless. Either way, it's very bad.

And I am a mother that lives five miles away from that nuclear power plant. I am depending on you to be responsible to the public. It's the California Public Utilities Commission. It is not the California utility commission for the Edison or PG&E, it is for the public. You need to represent us, me, my children. Because I will tell you there is no safe evacuation route.

All of the parents I speak to -- and I have a lot of friends -- we all know, whether it's my

friends that are, you know, the volleyball moms, the orchestra moms, the swim team moms, we all know -- you ask any one of them: What would you do when the sirens go off? They will tell you, "well, it's over." They don't believe there is any safe evacuation route.

So I'm going to ask you to please make sure that San Onofre be taken out of the ratepayer base immediately, all costs be recovered. And I thank you very much for your time. Thank you.

(Audience clapping.)

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ALJ DARLING: Okay. We're going to take two more speakers, and then we're going to give our court reporter a break for about ten minutes because she has been very diligently taking down all your comments. But we would like her to last throughout the session.

So Mr. Rose and Mr. Franco, and then we will take a ten-minute break.

# STATEMENT OF MR. ROSE

MR. ROSE: Good afternoon. Steven
Rose, former mayor of the City of Culver
City. For your information, that's about 30
or 40 miles north of here.

As a mayor, the City of Culver City was the first community in LA County to go all natural gas buses. Our recycling leads the state. I guess you can call me Earth friendly. I am also the 26-year

president of the Culver City Chamber of Commerce.

A reliable energy source is important for not only business, but for the community. In case of an emergency, our communications are based on reliable electricity. If the city cannot have that, it has nothing. I encourage you to review the facts, act on the facts, and make a decision as soon as possible.

And thank you very much.

ALJ DARLING: Thank you.

Mr. Franco?

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## STATEMENT OF MR. FRANCO

MR. FRANCO: Thank you, Your Honor, thank you, Commissioner, for allowing us the opportunity to speak here today.

My name is Ruben Franco. I am the president and CEO of the Orange County Hispanic Chamber of Commerce. We represent the interests of over 30,000 businesses, which small and large, which employ over 200,000 people here in Orange County.

I'm here to voice support of the safe restart of SONGS. Our businesses are concerned with reliable energy, efficient energy, and the negative economic impact potential blackouts might have. Our businesses rely on those for their jobs. And if SONGS is not allowed to restart, we're not sure what's going to happen.

The business community here in Orange County wants to continue this dialogue on SONGS. And please

1 feel free to reach out to us in the Hispanic community 2 to talk about this important issue. 3 Thank you for your time. 4 ALJ DARLING: Thank you. We will now 5 take a ten-minute break and be back at 5 til 4. 6 7 We will start with Mel Kernahan, Armida 8 Brashears, John Kaloper, Floyd Livingston, and Rhonda 9 Shader. 10 We are off the record. 11 (Recess taken.) 12 ALJ DARLING: Would everyone please 13 take a seat. 14 All right. I would like to go back on the 15 record. 16 Our next speaker, Mel Kernahan. We want to 17 hear you. 18 STATEMENT OF MS. KERNAHAN 19 MS. KERNAHAN: All right. You know, 20 CPUC, I'm very grateful that you're here to 21 hear us. I'm one of the emotional minority 22 ratepayers. But, you know, the greatest 23 public utility we have is the sun and the 24 wind. I don't know where this nonsense came 2.5 from that nuclear is more reliable than solar 26 and wind. Can you tell me of a single year 27 in the history of California where the sun

didn't shine and the wind didn't blow?

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1 SONGS has been unable to provide any 2 electricity for 365 days during this outage. 3 There have been outages ever since the plant was invented there. But I'm a captive Edison 4 5 customer. The rates we pay not only pay for 6 electric power, these rates provide Edison's 7 salaries, business expenses, performance bonuses and a fortune in public relations 8 9 campaigns. Edison executives decide they're 10 worth millions in performance bonuses that we 11 must pay them whether or not their 12 performance is work a nickel. What a racket. 13 Edison should pay us ratepayers a 14 big performance bonus for not lynching them 15 for the lies and incompetence. Edison must 16 refund these bonuses and put that money in 17 the decommission fund. Refund our electric 18 rates for the year. 19 Edison, you broke it. You pay to 20 decommission it. You refund our rates paid in good 21 faith for power that you are incompetent to provide. 22 End this dangerous nuclear charade. 23 Thank you very much. 24 (Audience clapping.) 2.5 ALJ DARLING: Armida Brashears. STATEMENT OF MS. BRASHEARS 26 27 MS. BRASHEARS: Good afternoon. Thank 28 you, Judge Darling and Commissioner Florio.

I am Armida Brashears. I am a 77-year old
native of California. I am a 47-year
resident of Huntington Beach. I am a
grandmother and a great grandmother, and I
care about what kind of environment we are
going to be leaving for our great
grandchildren.

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My primary concern is environmental impact. That was supposed to be one of the issues you are concerned with here. I am concerned about the nuclear waste. We all know about the radioactive waste that is currently stored at Hanford, Washington, that has been leaking into the soil and, therefore, into the groundwater. And we don't know how long it's been leaking. There is radioactive waste at over 100 nuclear power generators around the US, and we still have no permanent storage. Nobody wants radioactive waste in their backyard.

We all need clean, uncontaminated water to drink. Our farmers need clean, uncontaminated water to grow food, to raise chickens, cows and pigs.

Germany, which is a very dynamic economy in Europe, they have manufacturing.

They manufacture cars. They manufacture all kinds of -- Siemens manufactures all kinds of

1 electrical generators, machines, all kinds of 2 things. And they have a plan to depend 3 completely on renewables by 2030. If they 4 can do it, I think we can, too. 5 (Audience clapping.) MS. BRASHEARS: I lived in Australia 6 on March 11th, which happens to be my 7 8 birthday, when the tsunami shut down the 9 Fukushima nuclear generator. They finally 10 acknowledged that the evacuation zone should 11 be 50-mile radius, not 10-mile. 12 There also was an earthquake in February of 13 that same year that seriously damaged Christ's Church 14 in New Zealand. That event prompted their municipal 15 government to establish a plan for distributed 16 generation of electricity because they couldn't rely 17 on their electrical grid. 18 So I think there's another place where we 19 need to put our emphasis on distributed generation of 20 electricity so that we're not slaves to the electric 21 arid. 22 Thank you very much. I hope you will think 23 of the citizens and your grandchildren, too. 24 ALJ DARLING: Thank you. 2.5 (Off the record.) 26 ALJ DARLING: So Mr. John Kaloper, is 2.7 he here? 28 Mr. Livingston? Floyd Livingston?

Okay. Let me call the next five. Rhonda Shader, Douglas Hughes, Steven Rosansky, William Steiner and Berton Moldow.

Starting with Miss Shader.

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### STATEMENT OF MS. SHADER

MS. SHADER: Thank you. I'm Rhonda
Shader, the chair of the Fullerton Chamber of
Commerce. I'm representing 650 businesses in
Orange County. These businesses spend
hundreds of thousands of dollars a month on
electricity. Because of the nature of the
circumstances that the SONGS facility was
shut down, we appreciate and agree with
efforts to recover the extra costs from the
shutdown from insurance and other sources
before passing the costs on to customers.

We also want the Commission to be aware that for many years now, Edison has had a representative in our community to provide communication and to answer questions to both our citizens and our businesses. We hope that the SONGS facility will be safely reinstated so that businesses in our county can continue to have reliable and affordable electricity.

Thank you.

ALJ DARLING: Can I see by a show of hands if that sound was better than the prior

1 speaker? 2 Are you having trouble hearing in the back? UNIDENTIFIED AUDIENCE MEMBER: We hear 3 4 you well. We were having trouble hearing 5 her. ALJ DARLING: You could not hear the 6 7 last speaker? Not as well? Let's take a minute here. Off the record. 8 9 (Off the record.) 10 ALJ DARLING: Let's go back on the 11 record. 12 And, Mr. Hughes, please proceed. 13 STATEMENT OF MR. HUGHES 14 MR. HUGHES: Thank you, Commissioner, 15 Your Honor. And God bless America because 16 you and I can come up here and verse our 17 opinion. We're still a free people, and thank God. 18 19 The reason I came here tonight, I 20 want to talk about the big one. Every year this continent -- or I call California a 21 22 continent and, actually, it is. It is 23 supposed to move an inch. And if it doesn't, 24 then it just pushes against it and it's 2.5 trying to push it. And eventually, it's 26 going to give. And when that big one hits, 2.7 God help us. 28 Now, south of the border not too many years ago, a year or two ago, we had an 8.5. The nuclear plant here in San Onofre was built for a 7.5. Would it be at that rate now? Three miles from it there is a fault out in the ocean. Is that going to -- they say, well, that fault is only a 7.5. They say. How do they know? They don't.

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We're gambling with life and disaster, a war zone that you can't imagine. When that earthquake hits -- and it's going to happen, only God knows when -- it's just going to take everything and turn it upside down. See my thumb? If that was nuclear waste and it was laying in this room, we would all be dead in a few minutes. And the nuclear waste is all the way around the nuclear plant. It's that problem they don't know what to do with it.

Now, with all the doctors degrees, the engineers, the studies and everything they do, they say we now, with new technology, we know what to do. Well, they don't know what to do with the waste.

Inevitably they are gambling with your life and mine.

At 76, I am not really concerned that much with my life. It's our young ones, our grandchildren. We can't continue to roll.

If I had my choice, if I was in the power, I would do this: I would right now start building a natural gas plant right there where the nuclear plants are, bring in a natural gas line to take care of it and steam it. And just as soon as it's fired up,

start telling Edison you got 90 days -- that's a quarter of a year -- to take it all, with all your geniuses and your billions and millions of dollars, and figure out where to put it and get rid of it. And they got a big problem because they don't know what to do with it, but they need to get it out of our backyard and save our state. It's time we get some foresight into our future and think smart.

Thank you very much.

ALJ DARLING: Thank you.

(Audience clapping.)

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ALJ DARLING: Mr. Rosansky, Steven Rosansky.

#### STATEMENT OF MR. ROSANSKY

MR. ROSANSKY: Thank you. Honorable
Chair and Commissioner Florio, my name is
Steven Rosansky, and I'm a former Newport
Beach city councilman and mayor, and the
current president and CEO of the Newport
Beach Chamber of Commerce. Thank you for the
opportunity to address you regarding the
current power down at the San Onofre Nuclear
Generation Station.

As a business owner and on behalf of 671 businesses that comprise the Newport Beach Chamber of Commerce, I'm here to ask you to consider the safe restart of the San Onofre plant. As businesses are challenged by a stagnant economy and increases in all

types of costs, a reliable and clean source of electrical energy at a reasonable price is essential to the sustainability of the California economy.

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Just the other night, President Obama advocated for increasing the minimum wage. As of January 1st, sales tax in California has risen. Last week, Texas Governor Perry toured our state trying to convince California companies to relocate to Texas with the promise of lower taxes and lower operating costs. Let's not add higher electrical rates to his repertoire of reasons for businesses to exit this state.

San Onofre is already here. It has been in operation for almost four decades. Without it up and running, we are forced to use old electrical generation plants in Huntington Beach and Carlsbad that pollute our environment and run on costly fossil fuels. I don't think anyone is advocating doing anything that would not be a hundred percent safe.

I think that we -- what we are advocating is to have the state regulatory agencies working cooperatively with Southern California Edison to identify the problem, fix the problem, and get back to generating the cheapest and cleanest energy we possibly can.

Thank you.

ALJ DARLING: Thank you.

Next speaker will be Mr. William Steiner,

followed by -- let me call the next group of five.

There are a couple more speakers here. But Keith

Curry from -- mayor of Newport Beach, Gary Headrick,

Bruce Campbell, Randy Ziglar, and Bill Freeman. If

you would come forward, the public advisor staff will

assist you in getting your place at the microphone.

Mr. Steiner?

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# STATEMENT OF MR. STEINER

MR. STEINER: Thank you, Judge and Commissioner. My name is William Steiner and I am the former chairman of the Orange County Board of Supervisors. And in that capacity, we have many, many public hearings on all sorts of public policy issues and often involving contentious issues like this one. And I did attend the NRC hearing down in South County. And I learned over all those years that there is a need for us to show respect for people who have different viewpoints, and we have many people with different viewpoints today.

That said, I'm also Chairman of the Board of the Community Foundation of Orange, a parent of five growing children, have a bunch of grandchildren, including grandchildren that attend the Capistrano Valley Unified School District schools. And in that capacity, then, as far as a member of

the community and as a parent and grandparent, it's never been my interest to place this community or my own family at risk.

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While I was on the board of supervisors for six years, we had exercises, we called them the SONGS exercises. We went out to the Loma Ridge emergency command center every year and we gathered together for emergency preparedness with regard to SONGS, involving our sheriff's department, our Orange County fire authority, and our health care agency, public works staff, and so forth, and we placed a very high priority on that exercise and took it very seriously.

Our experiences led us to believe that we had an organization and systems in place to meet our responsibilities to the public. Certainly, it was our impression over those years that Edison also had a corporate sense of responsibility and that the San Onofre plant was a good neighbor. Based on those past experiences that we had and a few future reassurances which we felt were credible, I'm hopeful that there can be a restoration of this important power source. And I certainly appreciate the fact that you are concerned about the interests of the ratepayers and will consider those issues carefully.

Thank you very much.

ALJ DARLING: Thank you.

Mr. Berton Moldow?

#### STATEMENT OF MR. MOLDOW

MR. MOLDOW: Yes. Berton Moldow from Laguna Woods.

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And one thing I would like to ask is has the committee -- or I would with like to see the committee's hidden costs to San Onofre. I wonder if you include the town's expenses of the towns around the plant for the exercises that they have to perform. I wonder if you consider the costs and the damage of the ocean's ecology. I wonder if you consider the cost that we're going to pay for the cancer studies and, God forbid if they prove out, the liability that would be paid. I understand we should be including prolonged costs, slowly, but security that we maybe have to pay over the next 200 years or more for that fuel. Or the cost for the water towers that the Water Commission is going to require by, what, 2022 now, at the cost of \$2.3 billion.

NRC Commissioners have testified before that there is no guarantee against another Fukushima or another Chernobyl. In fact, it will happen. We know it will happen. And we know that that plant, like Fukushima, sits on the ocean. It is sitting near faults; that it has had equipment failures; they have had design errors. We have the issue of terrorism. And we know that that plant's safety record is the worst safety record of all plants operating in the United States. So we have no guarantees.

Regarding, by the way, safety, and we rely on the NRC for safety, we have seen a Commissioner -- not a Commissioner, but one of the people that were performing a study, admit to me that the NRC missed this one; that there should have been a hearing, okay, and a relicensing of that plant based upon what they knew.

Business owners, I can appreciate, have some concern, but they're missing the boat. They've lost perspective because they, just as well as many other people in this county, would become victims if something happened. They can't, just like I can't, buy any nuclear insurance to protect myself against total wipeout and loss against such an event.

However, they can buy solar panels, just like I did, free, and put it on their roofs or wherever they can put them, and reduce -- actually get energy at lower cost than they're paying the power company.

So there is a way in which they can indeed buy their insurance. Just close San Onofre and go toward alternative energies.

Thank you.

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ALJ DARLING: Okay. The next speaker, Mr. Mayor Keith Curry from Newport Beach.

## STATEMENT OF MR. CURRY

MR. CURRY: Thank you, Judge Darling and Commissioner Florio. My name is Keith Curry. I'm the mayor of Newport Beach. I'm

here today speaking for myself. And, first of all, welcome to Orange County. Safe and reliable energy is essential to a functioning economy. Most of us remember the difficulties caused by the power outages resulting from the energy crisis of the last decade. We simply cannot afford, as a matter of economic necessity, public safety or employment recovery to have the reliability of our energy supply compromised.

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We were fortunate this summer that because the AES facility in Huntington Beach was able to be operated, we avoided a potential power outage. I understand that the regulatory and other factors, this option will not exist during the Summer of 2013. That is why we must have a safe restart of the San Onofre Nuclear Power Station. This facility supplies 10 percent of the total power for Southern California, and has been providing save, clean power for more than 38 years.

I do not believe there are any realistic or affordable options in the short run that will allow us to ignore the important role that SONGS plays in the regional energy picture. Southern California energy rates are already among the highest in the nation, and failure to utilize this long-standing asset can only cause our rates to increase, further exacerbating our faltering economy. We need reliable power to grow our

economy, serve our tourists and visitors, protect our community and promote job growth. I urge you to take the only responsible course and support the safe and speedy restart of SONGS as soon as possible.

Thank you.

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ALJ DARLING: Thank you.

Mr. Gary Headrick?

## STATEMENT OF MR. HEADRICK

MR. HEADRICK: Hello. My name's Gary Headrick, and I represent myself and my wife and my granddaughter, like you've heard stories before. But also San Clemente Green is a large group that is very concerned about a number of factors, and cost and reliability is, obviously, a big part of that. And you've heard a lot of good testimony today, and I'm glad you are taking it all in. I just want to make a couple of points that are a little different.

One is that I did some research having to do with the way the NRC values the loss of a life. And what I found out is that the EPA actually values a life loss as \$6.1 million. And the GAO reported that it is hard to justify below \$5 million. But the NRC uses a figure of \$3 million to value the loss of a life. So my question is how does this disparity influence the CPUC? And is it appropriate for the CPUC to have the NRC update their model? Their

financial model? And how does that affect your cost effectiveness analysis? I think it would skew the numbers in another way than where it might be currently at 3 million.

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Secondly, without pre-judging Commissioner
Peevey, who is not here, and I don't know him
personally and I don't mean this personally, but the
public sees a lot of delays happening in what we would
think would be an immediate step that the CPUC could
do to stop the bleeding of our ratepayer money into a
lost cause, basically. And the reason I bring it up
is because of President Peevey's history with Edison.
And you can't help but wonder: Is there some loyalty
to Edison lingering from the past?

And I'm basically asking that we ask

Commissioner Peevey to make a statement, give us some
examples of things that he's done that are not in the
interests of Edison, some way that we can be reassured
that his testimony and his judgment is not impaired by
his past relationship with Edison.

And, lastly, I would just like the CPUC to weigh in, as Boxer and Markley have, demanding this document that indicates whether Edison is culpable in performing duties that put us at risk, our investments and energy and the potential loss for -- if there was a crisis, it would just -- it's insurmountable. So I ask you to join in, the NRC and the CPUC, to demand that those documents are made readily available. It

1 shouldn't take this long. 2 Thank you. 3 ALJ DARLING: Thank you. 4 (Audience clapping.) ALJ DARLING: Mr. Campbell. 5 6 STATEMENT OF MR. CAMPBELL 7 MR. CAMPBELL: Good day, Judge. Judge 8 Darling and Commissioner Florio, I'm Bruce 9 Campbell from Los Angeles. First, I wish you 10 wouldn't use the term "SONGS." It's 11 essentially buying into the Edison PR 12 campaign. Speaking of Edison's PR campaign, 13 are ratepayers paying for SCE propaganda, 14 literature, newspaper ads and other so-called 15 meetings in their public affairs or other 16 funds? I don't think the ratepayers should 17 have to pay for that. 18 So the steam generators were not like to However, and, thus, it should have prompted the 19 like. 20 NRC license amendment process, but NRC was being --21 anyway, but they didn't want to have evidentiary 22 hearings and, thus, wanted to have the quicker 23 process. 24 The ratepayer should not spend another penny 2.5 on any of the four defective steam generators. 26 fact, they should be refunded every penny they spent 2.7 on four defective steam generators. The PUC must

insist on knowing the exact timing of when the

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anti-vibration bar design team, which I believe had SCE, Mitsubishi Heavy Industries people on it at least, when it was formed and when they first met to discuss the replacement steam generator issue.

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Also, I remember -- I knew the legal intervenor at San Onofre Unit 1, who is a retired gentleman in Hawaii at this point, and I remember he said that the PUC said we'll have to take it out of the rate base unless you fire it up soon. And though it leaked like a sieve, they wanted to recover the funds. So they fired up fairly soon thereafter, but then they had problems. So they finally shut down Unit 1.

You should also study various worst-case accident estimates for San Onofre, including Skandia Labs' 1982 study which included property damage estimates and San Onofre environmental impact documents which may be from 1983.

Of course, if these city -- if a number of these city folks who are from the business community and giving SCE's line, if they actually support a fair and transparent hearing, it makes me wonder about this process, since it looks like SCE rented the building and they are having these people saying they want a fair and transparent hearing. We need all document -- I understand PUC called for the sealing of certain documents. A full and transparent process would mean we want to see all documents.

1 And also, San Onofre definitely has the 2 worst safety culture in the nation and the worst steam 3 generator situation in the nation. And we also should 4 avoid a lot of -- the once through cooling system, to 5 avoid impingement and entrainment of species if we should shut it down and no longer fund it, to get it 6 7 shut down as soon as possible and decommissioned. 8 Thank you. 9 ALJ DARLING: All right. Thank you. 10 would like to make one corrective statement. 11 Edison didn't rent this building. Actually, 12 Commissioner Florio and I had made the 13 decision to hold this meeting here because we 14 thought it would be a good facility for a 15 public meeting, with lots of open space, good 16 parking, and restrooms, and so forth. And it 17 was free from the City of Costa Mesa, so none 18 of your dollars are going towards this. 19 (Audience clapping.) 20 ALJ DARLING: Okay. Mr. Ziglar, 21 followed by Mr. Freeman. 22 Let me just give you the next five speakers: 23 Beverly Findlay-Kaneko, Carol Jahnkow, Rochelle 24 Becker, Mary Parsons and Vicki Pell, if you would like 2.5 to come forward, and that way the --26 (Technical difficulties.) 27 ALJ DARLING: Off the record. 28 (Off the record.)

ALJ DARLING: Okay. Mr. Ziglar.

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## STATEMENT OF MR. ZIGLAR

MR. ZIGLAR: Yeah. My name is Randy Ziglar. I live in Carlsbad, California, pretty close to San Onofre. I'm here to keep it closed. Close it down. Keep it closed, decommission it. I don't have any problems with paying Edison for whatever it takes to make clean, reliable affordable, safe energy. But when you're making radioactive waste, I don't see it as meeting those criteria.

I think this is a very dangerous and risky technology. It's unimaginable to me what would happen to this state if there is an accident like Fukushima. I mean, even the people that work here with the Chamber of Commerce and their beautiful businesses, they'll want to work in Texas by then. Then Perry will win.

I keep hearing the news reports and I keep hearing how utterly the solar and wind energy is going down in price. Meanwhile, I keep hearing about how more and how terribly expensive oil, gas and particularly nuclear energy is without an accident.

You know, let's not reward Edison for doing the wrong thing and going in and gambling on dangerous energy. Let's reward

1 it for doing good things like clean, safe, 2 renewable, local solar, wind energy we just 3 heard. 4 (Audience clapping.) 5 MR. ZIGLAR: We just heard that the sun keeps shining and the wind keeps blowing 6 7 regardless of what happens to San Onofre. 8 All I expect from the government, the federal 9 government, the state government, is to 10 safeguard us and to safeguard the future 11 generations. That's all I ask. Not to be 12 beholding to money making at any price. 13 Let's not take the short-term money making 14 proposition. Let's think in terms of the 15 next generation and do the right thing and 16 get rid of all this pollution. 17 Thank you. 18 ALJ DARLING: Thank you, Mr. Ziglar. Is our sound man still here? The sound 19 20 tech? All right. Well, let's give it a try. 21 Mr. Freeman? 22 What's this? 23 ALJ DARLING: What is this? 24 UNIDENTIFIED AUDIENCE MEMBER: This is 2.5 just the other microphone that was already 26 there. 2.7 STATEMENT OF MR. FREEMAN 28 MR. FREEMAN: My name is Bill Freeman.

I am a local business person. My office is
about one mile south of here. My concern is
jobs. San Onofre not only employs hundreds
of people directly, but indirectly hundreds
of more goods and services to the area.

Think about the fact that the Irvine Spectrum
Center -- it probably wouldn't be here if not
for SONGS.

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Think about the suburbs that are from here to Oceanside and inland. Probably wouldn't be here if it was not for SONGS.

You would probably still have bean fields and you would probably still have orchards in this area if it was not Southern California Edison's energy that was being used to supply the services that's necessary for the homes and businesses in these areas.

Now, you say that we should not pay for the kind of problems that Edison has with its power systems. Edison paid to develop those systems and put them in place for your use. What would happen if Edison left and you had to bring in some other power company to develop a new source of power?

Consider the fact that people were not happy in Redondo Beach. Redondo Beach closed. People were not happy with Mojave; it closed. Palles Verdes, closed.

1 If you want to know how much money you're 2 going to have to pay, think about the fact that 3 nuclear energy is the cheapest energy that you can 4 buy. 5 (Audience laughing.) MR. FREEMAN: Laugh if you wish. 6 7 about the fact that there have never been --8 or, by comparison, the hundreds of lives lost 9 in black lung disease from fossil fuel plants 10 and the number of plants that have died from 11 oil and gas fired plants. And then think 12 about the green impact. Make a comparison. 13 Stop coming from an emotional point of view 14 and come from a knowledgeable point of view. 15 Thank you. 16 ALJ DARLING: Thank you. 17 Miss Beverly Findlay? 18 Let's go off the record for a moment to 19 switch out the microphone. 20 (Off the record.) 21 ALJ DARLING: Okay. Let's go back on 22 the record. 23 Would you like to introduce yourself? 24 STATEMENT OF MS. FINDLAY-KANEKO 2.5 MS. FINDLAY-KANEKO: Yes. Your Honor 26 and Commissioner, my name is Beverly 2.7 Findlay-Kaneko. And I hope that today I am 28 coming from a knowledgeable as well as an

emotional point of view. The reason why is because I am an evacuee from Japan in the wake of Fukushima. I know what it is like to sit at home and wonder where the radioactive plume is traveling and whether it is safe to go outside.

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Since last year's shutdown of San Onofre, my interest in this protracted and dangerous situation has grown. I have genuine concerns about how Southern California Edison's electric power monopoly uses funds designated for community outreach. My experience as an extremely concerned citizen seeking help and answers through local government has been that Edison's version of outreach involves heavily lobbying government officials and community groups.

For example, they use specious materials such as an e-mail blast, just in the past couple of days, to local law makers connecting to a propaganda video about grid reliability. In my own city there was a conscious effort to circumvent public participation in local government on this issue.

It is extremely disappointing, coming from my standpoint, as someone who is really genuinely seeking help from local officials, it's disappointing

to walk into a city council meeting and see a council member that you have tried for months to get a meeting with glad-handing two members of the Southern California Edison PR team, or during that meeting, during the meeting where the resolution is on the agenda, to hear yet another council member, who has refused to meet with you again and again, apologize to the Southern California Edison representative for causing her to postpone her vacation.

Our ratepayer dollars are going towards polishing the tarnished image of Southern California Edison and currying favor for nuclear power, not toward actual community outreach. As a customer, I would expect community outreach to include things like disaster preparation and awareness through the 50-mile zone that was required by our embassy in Japan.

As someone who has firsthand experience with a nuclear disaster, I know that we are not ready for any kind of incident. And I also believe that we need a conservation campaign that actually reaches the public and doesn't get shredded with the rest of the junk mail.

I encourage the CPUC to investigate these issues further.

Thank you very much for your time.

(Audience clapping.)

ALJ DARLING: Thank you.

Carol Jahnkow?

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#### STATEMENT OF MS. JAHNKOW

2 MS. JAHNKOW: Hello. I'm Carol 3 Jahnkow, and I am the representative today 4 for the Peace Resource Center of San Diego. 5 We are a 501(c)(3) nonprofit education group. And we are a conglomeration of individual 6 7 members, church memberships, and other 8 non-profits in the San Diego area. 9 want to thank you very much for the 10 opportunity today to address you. I'm also 11 very glad that you will be holding a meeting 12 in the future in San Diego because there is 13 great interest there.

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We are not just looking at the 10-mile zone. We are looking at how far down radiation might reach us in San Diego. And our mayor recently became very concerned about that. Our new mayor, Bob Fillner, has written to the Nuclear Regulatory Commission on the issue. You would have a copy of that letter in a packet that was left for you. But he's basically asking the NRC not to authorize the restart of SONGS until both a full license amendment hearing has been conducted by the NRC and until your study is done. So he is very concerned about that, and I'm sure he will be addressing your representative when you are in San Diego.

I, myself, live in Encinitas. I'm 26 miles from the plant. I was very interested today to hear

about the community outreach providing information. I will tell you that in all the years that I have lived in San Diego County, which are getting more and more numerous, I have never received at my home anything from the industry about any kind of sheltering in place, anything that I would need to know if there was an emergency, if there was an accident and the radiation went beyond the 10-mile limit that it's supposed to stop at, and it may not know that.

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So I'm a little concerned about that. I'm going to go home and check my telephone book and see if there is indeed something in there, because that was news to me. And I would question that as a very reliable way to get the information out, especially in a county like San Diego where we have such diverse ethnicity and languages.

I see I only have a minute. Let me just add that I want to add my voice to those saying stop the bleeding. I do not think it is reasonable to expect the ratepayers to pay for a demonstrated defective nuclear reactor. We need our refund. And I would pose that instead of looking at whether we're going to pay the cost for the mistakes that Edison made and the decisions that were made that have proved to be wrong, let's have the shareholders start to pay for some of this instead of the public.

(Audience clapping.)

MS. JAHNKOW: You know, let Edison pay

for it. Let the shareholders pay for it.

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And, secondly, I just want to say I don't think it's prudent to put any more dollars into a reactor that has shown itself to be unreliable. We are looking at a long life term on this. And I think if any more dollars are going to be spent on San Onofre, they should be for decommissioning. Thank you.

(Audience clapping.)

ALJ DARLING: Thank you.

Rochelle Becker?

#### STATEMENT OF MS. BECKER

MS. BECKER: Thank you. And thank you very much for being here and also agreeing to go to San Diego. We pay 20 percent of the rates and we deserve to be heard as well down there.

What I would like to bring up today is the news in the last year -- actually, this year, but since San Onofre went down, that there are several other nuclear power plants that are no longer going to be operating. So we actually have concrete evidence that we can roll into this record.

There is the Kiwani (phonetic) plant that is no longer open, and Comanche Peak -- not Comanche Peak. Crystal River. Crystal River, last week the news was, from the people who live there, the same chambers of commerce, the same city officials

basically saying "please don't think of our city just as a place that used to have a nuclear plant. There's beaches here, there are other things here," to bring people to our community.

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So the same people that were very much in favor of this nuclear power plant and restarting this nuclear power plant for three years, when it didn't operate, are now saying, "well, it's not going to be here any longer. What is our community going to do?"

Last week the Board -- not last week,

Tuesday, the Board of Supervisors in San Luis Obispo

voted to do their own study of what San Luis Obispo

would do if they lost the Diablo Canyon nuclear plant.

That's what's not being done locally.

They are asking you to do a lot. But locally, if they lose these jobs, if they lose this energy, they have to do some planning themselves. So it's really beholden on everyone in the State of California to do what's best for everyone in the State of California. Not just for Edison, not just for the local community, but for the State of California.

Where is our future power? Where are our jobs? Where is the infrastructure that's going to be needed? And look at the other communities that have lost theirs and see what happened there.

Thank you.

ALJ DARLING: Thank you.

Our next speaker is Mary Parsons. The five

speakers following in order: Vicki Pell, Hugh Moore,
Torgen Johnson, Donald Kelly, and Lyn Harris-Hicks.

If you would come forward to the front.

And Mary Parsons, are you here?
No Mary Parsons.

Okay. Vicki Pell?

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Hugh Moore? Mr. Moore.

## STATEMENT OF MR. MOORE

MR. MOORE: Good afternoon. Thank you for the time. My name is Hugh Moore. I'm speaking for the San Diego County Green Party. A couple of years ago, the California Public Utilities Commission was asked to evaluate a plan to replace steam generators at the Edison plant at San Onofre.

You agreed at that time that the cost of expense, the risk of running a nuclear power plant, and the financial costs would be outweighed by the benefits of operating that plant. At that time, however, you went a step further than saying that it would be beneficial. You said that the cost just made it; in other words, if the cost was any greater, it wouldn't have meant the benefit was greater than the risk. Well, that was when you were going to have two operating plants operating at a hundred percent. Now you have one that might be able to operate at 70 percent. That's considerably less than the 130 percent that you had to add before.

You have no choice but to close this plant. Your own report shows that it is not beneficial to the public. You represent the public. Your prior report proves that it is not effective, beneficial. If you take the risks and the costs, the benefit doesn't outweigh the risk. You have no choice but to close the plant.

Thank you very much.

(Audience clapping.)

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ALJ DARLING: Mr. Johnson?

# STATEMENT OF MR. JOHNSON

MR. JOHNSON: My name is Torgen

Johnson. I am from North County, San Diego.

I hold two graduate planning degrees from

Harvard. I'm not speaking from an emotional standpoint. I'm speaking from a very rational concern about cost and reliability of San Onofre.

I heard the chief nuclear officer of Edison, Peter Dietrich, talk about his public outreach, public affairs efforts. They are extensive. They are large. They are expensive. And I think it's unusual that Edison put so much public relations promoting San Onofre with those funds rather than explaining to the public the nature of the safety issues at the facility.

So in terms of the efficacy of the public

outreach programs, I think that the CPUC needs to look more closely what Edison is doing with that money. And also whether or not the outcome of all that outreach work is not cheerleading, but rather informing the public of the extensive costs to society when those plants become very unreliable. learned that the unreliability of the Fukushima Daiichi plant ran them into bankruptcy. It also brought the fourth largest economy in the world to its knees.

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So when we talk about public outreach and safety, I think we need to be realistic about what we are talking about. There are, of course, ratepayer costs and there are other costs that are associated with extreme unreliability of a plant such as the steam generator failures we are looking at. This is the third set of steam generators we are looking at. The first set failed early. The second set was produced and it went in, and it failed. And it looks like Edison would like to do a second -- I'm sorry, a third set of steam generators. And each time we are looking at over a billion dollars of cost to the public and unreliability of power when the facility is down.

I want to say that you provide a very important function in a regulated monopoly. The monopoly is afforded to Edison because it is supposedly providing a benefit to society that is so

extreme and so important that they were given protection from the state. But as some people here said, we want you to cooperate with Edison. I would say maybe, but not too much. You're the regulator. And as a regulator, you are representing the public and the public interests. And the public interest is not being served by Edison right now trying to charge these steam generator defects back to the ratepayers.

We're strapped to this company through this arrangement that we have of a regulating monopoly. We have no choice. Please protect us. Please protect our money. Our money means a lot to us. I just said outside earlier that our school collects funds from all the parents for crayons and pencils and paper for our students. And, yet, Edison, with their very inflated payroll of upper management, has no problem charging over a billion dollars back to ratepayers for something that we are not responsible for.

Thank you.

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(Audience clapping.)

ALJ DARLING: Mr. Donald Kelly?

## STATEMENT OF MR. KELLY

MR. KELLY: Good afternoon, and thank you for having this hearing. My name is Donald Kelly. I am the executive director of You Can. We are a party to the matter.

I would like to thank you for agreeing to hold a public participation hearing in San Diego. I

would also urge you to hold it in Phase 1 as an opposed to later phases. I do think the public's input in San Diego is important and to hear it as soon as possible in the OII process.

I would also urge you -- I would also urge both of you to consider the prior record that was made when the steam generators were replaced the first time. I would like you to actually examine the evidence that was presented and the promises specifically that were made by Southern California Edison.

At the time, the generators were supposed to last a couple of decades. They have not lasted respectively in one and two years. I think it would be informative in the process if you consider the record and the promises that were made by Southern California Edison before considering whether or not they should get new funding to redo it again.

Thank you.

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ALJ DARLING: Thank you.

(Audience clapping.)

ALJ DARLING: Next speaker is Lyn
Harris-Hicks. The next speakers following
will be Mr. Kernahan, Miss Valorie Johnson,
Miss Hartfield and Mr. Kramer. And those
will be the final speakers for the afternoon
session.

Miss Hicks? Miss Harris-Hicks?

#### STATEMENT OF MS. HARRIS-HICKS

MS. HARRIS-HICKS: I'm Lyn

Harris-Hicks, and I have been living two

miles away from San Onofre for about

44 years. We were there before it came in,

of course, but I want to -- I want you to

know that I am just as much concerned about

my children and grandchildren and your

grandchildren and great grandchildren as I am

my own.

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And this is something that we have to right now just kind of look over that and say that for the sake of the nation and the world, we must make this a thorough -- a thorough. And most of us are thinking we have to cut it off right now because of the hazards and all that. But what we do here may have great impact on what happens in the United States and what happens in other places and the world, because the world is watching us after Fukushima, whether we'll pay attention to the lessons there and whether we pay attention to the lessons of what things are happening with Chernobyl and the other places.

But the reason I say that is that I'm old enough that I watched this go on for -- well, I'm 85.

Maybe it's been 50 years or so that I have been interested in it. But I saw the same process going on in the failure of the first -- the first unit there. The Edison followed the same practices preventing

people from knowing what's happening, and going to the business people and saying we really need this electricity; don't let them turn it off. That sort of thing. And we hear it now again. In each session we go to, they'll have the workmen in their orange shirts all saying we really need our jobs, and so forth.

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And it's much more than that because when they closed down Unit 1, the Edison was pretty much in control just like now. And they made a deal with them that they could charge to the ratepayers anything that was -- they spent on it. And we were four years paying what they called their expanded investments. Four years. And we know that the Commission made the agreement with Edison when they approved the steam generators, that they can charge the ratepayers anything they spent on it. And you're reaping that now.

And when you look at the charges that they bring in that are so excessive -- and it isn't something that matters whether it's excessive or not, you made the agreement. And so it's going to be a problem. And that problem I think we must all think about because they call this -- they call this the problems that they have there. But they are not problems. They're multiple failures. They were designed for a simple pipe break, to be able to withstand a simple pipe break.

And these problems that we have had again

and again, there will be several things that happen that make a difference and make it much more serious, much more dangerous. And so we mustn't let them continue to do that. They say there was a small leak and that they're working on it. And in August, the president of Edison said "We're going to restart it in October 19th." Nice. Okay.

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very much.

And then they -- that Nuclear Regulatory Commission says "We won't let them start it until we're really sure that it's safe." And they've been telling us all the years we're really sure that it's safe. No matter what happens in Chernobyl or Fukushima or whatever, they say we assure the safety of the public. But they're not doing it now. Because I read a book just the other day that was put out telling people about the Regulatory Commission -- I mean the Nuclear Regulatory Commission, and they used the word -- let's see -- they used the word that they are responsible -- they don't have undue hazards. You figure out what "undue" is. But in our Okav. world, they've been past that a long, long time ago. ALJ DARLING: All right. Thank you

(Audience clapping.)

ALJ DARLING: Galal Kernahan.

Did I get that right?

### STATEMENT OF MR. KERNAHAN

MR. KERNAHAN: Yes, Galal Kernahan.

First, I would like to start out with a little disclaimer. I don't have second sight and I don't transport or have visions of the future or anything like that. And I make that statement because about almost two years ago, Southern California Edison had a meeting where it cultivated the Latino leadership of Orange County. It was over at the Marriott near the airport. Really fine. Really, they laid out things great. I'm not even Latino and, boy, you know, they convinced me. And I had a wonderful time there. But we heard the CEO of Southern California Edison talk to us.

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I don't know what the Public Utilities

Commission can do about really major things like, you know, if the earth splits in half or something.

That's a little beyond you. But I did raise a question there with the CEO from Southern California.

I said what happens if there is a really, really, good sized, once every 500 years or whatever tsunami? And he explained to me, you know. I thought he'd say "We all run to the church and pray." But, no, no. But you look where San Onofre is, you look at the little wall there and you wonder about things like that.

But in any event, went home afterward. They fed us. Great. Boy, I mean, if Southern California Edison is out to cultivate people, man, they do it right. And we had a great, great time, and people

were fine and we felt good about it.

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I got a call that evening from one of my
Latino friends and he said, "geez, what did you know
that we didn't know?" And I said what happened? He
said, "there was a tsunami that just took out the
Fukushima nuclear plant in Japan." Well, so it does
say it does happen. It doesn't happen maybe right
where you thought it might happen. But you never know
when it might happen there.

So the reason I mention this, and I have one minute to tell you, that I have been through it. I have seen what a tsunami would do to San Onofre. Fifty years ago, the daddy governor of the present governor of the State of California appointed me -- what a mistake -- as the regional administrator of the California Disaster Office. The balloon goes up, buddy, and you're in charge.

Well, so they had a little exercise. And these exercises were already developed by all kinds of people and got all these things on the radio. And I had radio things on all of the frequencies of Southern California and everybody else, public works and whatever. And so they're feeding all this information and we're supposed to figure out what to do about it. And the information is there is an enormous wave, and it's come in and it's cut Pacific Coast Highway and in 12 places, including up to San Onofre. Well, what's that about? What nuclear weapon had gone off under

water off Point Loma? That was our exercise.

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A couple of weeks later I thought, man, this isn't for me, not even to imagine, and I went on to better things. The only point that I'm making is these things happen very rarely, but once is enough. And the point is we already have something we know that's not economic, we know that it is a bad deal, that it is dangerous. And if the wheel of fortune turns just a little bit more beyond the wrong point, people, we have a disaster area.

We have earthquake faults. We know what a tsunami is, and we would really learn about it if we had the one that I had to go through an exercise on when I was young and sturdy and could solve the problems of the world.

Thank you.

ALJ DARLING: Thank you.

(Audience clapping.)

Valorie Johnson? Miss Johnson?

# STATEMENT OF MS. JOHNSON

MS. JOHNSON: Hello. My name's Valorie Johnson. I'm not an elected official. I don't come from the corporate world or the scientific community, but I most definitely am a stakeholder because I surf at San Onofre on an almost daily basis. And I could tell you about the beauty of the place and the creatures that live in the ocean, but

1 unfortunately, my eyes have been opened.

2 | Perhaps it sounds cynical, but I realize that

3 | many of the people who are in charge of these

4 decisions that affect all our lives look only

5 | at the bottom line. So let's look at the

6 | bottom line for a moment, shall we?

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california's economy is driven by real estate, by tourism and by recreation. If you think just alone of the companies that make surfboards, wet suits, trunks, bikinis, all kinds of what you would call life-style products that are headquartered in Orange and San Diego counties, the value of those businesses alone would thwart Edison's investment, even before we start to look at tourism, at hotels, at real estate, million dollar beach-front homes.

We hear a lot about the technical information about steam generators and tubes. None of that technical information would matter at all if we had a major earthquake and tsunami that washed radioactive material out into our ocean. In fact, the mere perception -- even if we were assured that it was safe, the mere perception by people across the country and world that Southern California and its beaches had somehow become unsafe would completely tank our economy. So let's think about the economy.

I really, truly think that there is no such thing as an acceptable risk for keeping San Onofre nuclear power plant open.

1 (Audience clapping.)

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MS. JOHNSON: There is no such thing as an acceptable risk. We hear things about the evacuation plan. Well, let's suppose that things actually worked and we were actually able to evacuate people in the case of a meltdown. Then what? What if we couldn't return to our homes? What if we couldn't return to our businesses? People who think of jobs don't think of the fact that the jobs would be the least of their worries if they couldn't even live in Southern California in that 50-mile radius.

I want to say that I do very much support the workers of the plant. I am a proud union member myself. I understand their concerns. But I think that what needs to happen is that those people should be first in line for the jobs needed to decommission the plant and to truck the toxic awful that it has already generated as far away as possible from our precious and beautiful ocean.

Thank you.

(Audience clapping.)

ALJ DARLING: Sheila Hartfield? Miss Hartfield, are you still here?

## STATEMENT OF MS. HARTFIELD

MS. HARTFIELD: Hi. I'm Sheila

28 | Hartfield. I'm with the -- I'm in Whittier.

I'm with the League of Women Voters and Women's International League for Peace and Freedom, and as a representative, I am speaking for us all.

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of clean, renewable energy and energy efficiency seriously. We can accelerate the effort and make California the world's clean energy leader by eliminating the money pit of California's nuclear power. California could have cleaner, cheaper, more reliable power without San Onofre.

San Onofre is old and unreliable. We can never depend on it. And we should invest in clean energy and energy efficiency. And the CPUC should plan replacement resources in a transparent process. Energy efficiency would lower costs in the short term, and renewable energy would keep costs low in the long term, while gas and nuclear costs can only continue to accelerate.

Clean resources would accelerate California job growth. California should convene an inter-agency working group to determine in a public transparent process how to use targeted clean resources and energy efficiency to replace San Onofre's lost power, and particularly energy efficiency, demand response, rooftop solar and storage.

A November 2012 decision by CPUC, energy efficiency case ordered Edison and San Diego Gas and

Electric to use efficiency to replace San Onofre, but it lacks any details.

In February 2013 -- that's recent -- for the first time ever, CPUC's decision in a long-term procurement case ordered Edison to use efficiency demand response and local renewables to offset the need for local power supplies, but it put Edison in charge of figuring out how to make that work.

Edison has, obviously, conflicts of interest. So the Commission should launch a public process with independent experts. Edison should not be in charge of the process.

(Audience clapping.)

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ALJ DARLING: All right. The last speaker of the afternoon session, Mr. Al Kramer.

### STATEMENT OF MR. KRAMER

MR. KRAMER: You must welcome my appearance, then, being the last speaker.

Your Honor, Commissioner, first of all, let me congratulate you on your stamina. I have served as a city councilor and legislative and as a judge for 18 years, and have been there listening to different testimony. And I must say after three hours, you have done so with great competence, ability and attentiveness, and I think we all appreciate that very much. Pardon my attire.

1 I didn't intend to speak. But having
2 listened to what occurred here, I thought I
3 would add a voice.

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I listened with great interest to very sincere business people coming forward concerned about their employees, concerned about their business, who have basically said that they wanted reliable, inexpensive and safe energy. And I heard one gentleman correctly say that they weren't advocating anything that wasn't safe, and they relied on the regulatory agencies to make sure that it would be.

And so I have to ask one question. What is it about Fukushima we just don't understand?

(Audience clapping.)

MR. KRAMER: It bears repeating. What is it about Fukushima we just don't understand? Do they really believe the regulatory agencies can provide safety? Do they really believe a 10-mile limit will provide safety? Do they really believe that an evacuation plan, even if it works, provides safety? Do they really believe that California doesn't have earthquakes? Do they really believe that the San Onofre doesn't lie between two faults?

Yes, it is a small risk, but it is a risk of great harm and it happens. And when it happens, it is a disaster that doesn't help employees or anybody else.

One minute. Thank you very much. I'll extend that one minute and 25 seconds because somebody just heckled me out there.

The idea that it's reliable is kind of almost like a joke. We have something that's decommissioned and shut down, and we're talking about it being reliable. It's strange.

Talk about not having costs. Of course it's not costly if you defray all the incompetence and mistakes onto ratepayers. Of course it's not costly if the billions of dollars of a disaster is picked up by all taxpayers. If you add up all the costs, including the handling of waste and everything else, this is probably the most costly system you could have for energy --

(Audience clapping.)

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MR. KRAMER: And we look forward to renewable energy. And as people so elegantly had put it -- the time is up. I'm just reading the sign.

It is very clear where history is going.

And I think all the people are asking you to do is be on the side of history. It's time for renewable energy, safe energy, reliable energy, and eventually

1 | inexpensive energy.

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Thank you for all your attention to this matter.

(Audience clapping.)

COMMISSIONER FLORIO: I very much appreciate all of the dialogue this afternoon. We'll be taking all of it into consideration in our actions going forward. Again, it will be the NRC that will decide whether the plant is allowed to reopen or not. But regardless of what side of the issue you're on, if the plant is not available this summer, we are all going to need to conserve energy. And I just hope that message resonates with everyone, is we don't know if it's going to be back or not. But if it's not, it really takes a ground-level community effort, not undue hardship, but really prudent careful use of energy if we find ourselves in that situation.

As I said earlier, we will be making contingency plans if the plant doesn't come back. If it does, it won't be forever. So, you know, there's a lot of work ahead for us. But it's really helpful to see the diversity of views. I appreciate that people were knowledgeable and courteous to each other. And we will continue this this evening. Thank you.

| 1  | ]   |
|----|---|
| 2  | (Audience clapping.)  |
| 3  | (Whereupon, at the hour of 5:11   |
| 4  | p.m., this matter having been continued to 6:00 p.m., at Costa Mesa, California, the Commission adjourned.) |
| 5  | carrornia, the commission adjourned.)   |
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## 1 EVENING SESSION 2 3 ADMINISTRATIVE LAW JUDGE DARLING: Good 4 afternoon, good evening, actually. I'm 5 Melanie Darling. I'm the administrative law 6 judge that is assigned to this proceeding. 7 Today's date is February 21st, 2013. 8 This is a public participation hearing 9 scheduled as part of the California Public 10 Utilities Commission Investigation No. 11 13-10-013, relating to the shutdown of the 12 two nuclear units at San Onofre as a result 13 of operational problems with new steam 14 generators supplied by Mitsubishi Heavy 15 Industries. 16 As many of you know, deciding 17 whether or not SCE may restart either unit 18 under its federal operating license is the 19 authority of the Nuclear Regulatory Commission. We are not the Nuclear 20 21 Regulatory Commission. We have a different 22 jurisdiction. Our own investigation will 23 look at what actions Edison took relative to 24 the new generator project, and what Edison 2.5 has done since the company became aware of 26 the damage at SONGS. 27 I want to just briefly explain that. 28 "SONGS" is a common acronym used in the

industry for San Onofre Nuclear Generating

Station. If you hear "SONGS," we are talking

about San Onofre's units.

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Edison has collected and spent money for SONGS in several categories since January 2012, including planned operation and maintenance cost, capital expenditures, and post-outage expenses, including the cost of the purchasing replacement power for the power lost through the shutdown. In addition the entire cost of the steam generator replacement project, including whether repairs or replacements are cost-effective for ratepayers, will be included in our investigation and review.

Furthermore, state law allows the Commission to remove nonoperating generation facilities from the rate base. If the Commission decides to do that, or finds that any of these expenditures are unreasonable, we can order refunds to ratepayers.

The Commission, and I believe the count is 26 intervening parties in this proceeding, will closely examine Edison's testimony on these various matters at evidentiary hearings we will be holding later this year. Our focus may evolve as new information is obtained.

1 Today we have asked Edison to spend 2 just a very few minutes to describe its 3 efforts, particularly after the shutdown; 4 about how it has been communicating with its 5 neighbors, local governments, and community organizations; and preparing for coordinated 6 7 responses in the event of a hazardous condition at SONGS. 8 I would like -- following that 9

I would like -- following that portion of the hearing, we will proceed with individual members of the public.

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I would like to introduce Karen
Miller who this Commission's Public Advisor.
The Public Advisor's Office exists to help
you, the public, become more informed and to
have an input into proceedings. She is going
to describe a little bit about what her
office does, what is going on today, how the
speaking will work.

#### STATEMENT OF MS. MILLER

MS. MILLER: Good evening. Thank you for coming.

As the Judge said, I'm Karen Miller.

I'm the Public Advisor at the California

Public Utilities Commission. And first I'd

like to ask everybody to put their cell

phones on silent. Thank you.

And my office facilitates the public

participation hearings, and we also provide procedural information to people who might want to get involved in the proceeding. And we will talk to people about whether they want to be involved at an informal level, or formal level, and help people understand the best way that they might be involved.

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And we are really glad that you can join us tonight. Public participation is very important to the Commission. Our decision makers here, the other commissioners, they rely on the information from public participation hearings and public comments as part of their decision-making process. It lets them know what the community is feeling about these issues.

And we have agendas outside at our sign-up table, and on the back of the agenda we have addresses for you to send us written comments. I told some of the people earlier that even if they provide oral comments today, they are also welcome to provide written or e-mail comments to the Public Advisor's Office. We take these comments and circulate them to all five commissioners and the judge. So they do get a lot of scrutiny.

Let's see. And we are going to have a maximum of three minutes. And let's see if

1 I missed anything here.

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and so we also have a way that you can follow the proceedings. It is very simple. It is called a subscription service. On the back of the agenda we have the information. We also have some brochures out there. Can you sign up on the subscription service. For example, with this proceeding you can put in the proceeding name, and the Commission will send you e-mail messages when documents are filed, proposed decisions are filed, things like that. So you don't have to go looking for it though, but you know that something has happened, and you just link on it and get it.

So if you have any questions at all about anything I'm over here, and my staff is out at the table. Please come and ask us. Thank you.

ALJ DARLING: Before we proceed, I would like to introduce you to Commissioner Mike Florio who is the assigned commissioner for this proceeding.

COMMISSIONER FLORIO: Thank you all very much for coming out tonight. We had about a three-hour session this afternoon with about the same number of people, and there clearly are diverse views in the

community about this situation. But I think we are all equally concerned about safety, reliability, the environment, and of course cost to consumers.

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The Nuclear Regulatory Commission will make the decision whether San Onofre is allowed to come back online or not. We at the Public Utilities Commission deal primarily with the economic issues and also the reliability of the electric system.

And San Onofre has been the hub of the Southern California electric system for the duration of its existence. And its absence creates challenges that, you know, led to appeals for conservation last summer. And if the plant is not restarted, there will be similar appeals this summer. We hope that everyone takes that to heart and, if necessary, that people conserve as much as reasonably practical, especially on hot days when the air conditioners are there socking up the juice.

We have extended the proceeding at the Commission looking at various aspects of the San Onofre situation that involve technical hearings with Edison representatives, our Division of Ratepayer Advocates, and a wide variety of other

1 | interested parties.

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2 This event is your opportunity to 3 speak. It is difficult for the Commission, 4 the large entity to travel; but we do like to 5 have these sessions on important issues of public concern to hear your voices. 6 I take 7 that back, and Judge Darling and I will be 8 working together on the various decisions 9 that come out in this docket. So you are 10 talking to the people who will have the lead 11 role in putting together any Commission 12 decisions.

Our colleagues also get a transcript. Be mindful of our court reporter. She is working very hard here to get everything down so all members of the Commission can get the transcript of what happens today.

But I look forward to further lively discussion, urge everyone to be courteous. We did pretty well on that score this afternoon, and I hope we can keep it up. We understand there is strongly held views, and that is what the debate is about. It is kind of democracy in action here.

So thank you all and look forward to your comments.

ALJ DARLING: We do have a court

reporter here, as noted, and that means that she is going to be taking down what the speakers have to say. So I would urge you to identify yourself and speak clearly into the microphone. We will not be transcribing comments that might be spoken from the audience. So there is really no point to do that.

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I will also say that we did issue a special invitation to local government representatives, because we wanted to get some additional information about what is the cooperation level between Edison's representatives and local governments in the area of emergency preparedness, an issue that is very important to those who live and work in the area.

I'm going to start with asking
Mr. Dietrich from Edison to give us just a
few minutes on the outreach that you are
doing in the local communities in this area
of emergency preparedness related to issues
at SONGS. Thank you.

# STATEMENT OF MR. DIETRICH

MR. DIETRICH: Thank you, Commissioner Florio and ALJ Darling, appreciate the opportunity; and members of the public, appreciate the opportunity to speak with you

1 tonight.

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In addressing the outreach and the emergency planning efforts that Southern California Edison has undertaken, I thought it would be appropriate to start with a brief status on the plants for where we are today.

As we know, both Unit 2 and Unit 3 have been off-line for over a year now. Unit 2 was taken off-line for a normally planned refueling outage, last January 9th shut down for normal inspection and refueling. On January 31st, Unit 3 experienced a small tube leak. Our operators promptly identified, detected and safely shut down the unit, isolated the leak, and prevented any hazard or challenge to the public health and safety. The units both remain shut down.

Since the time we have the shut
units down, we have completed a very thorough
and comprehensive analysis of the situation
that led to the tube leak on Unit 3. And we
used extensive experts, support from around
the world in helping us reach our
conclusions. Those conclusions were
necessary to respond to the Confirmatory
Action Letter that the Nuclear Regulatory
Commission and Southern California Edison
agreed to, and we summarized all of our

conclusions and analysis, and our conservative decision making in the Confirmatory Action Letter response that we submitted in October. Submitted that Confirmatory Action Letter response to the Nuclear Regulatory Commission, and today we are working through the technical evaluation and review process associated with the Confirmatory Action Letter response.

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The outreach that we have conducted, we take very seriously our responsibility to provide information to the public and to local public officials to ensure that people understand the conclusions and direction that Southern California Edison seeks to take with our nuclear units.

We have established a website,
www.songscommunity.com. We've also engaged
extensively in social media. We've also had
over 500 meetings with elected officials,
over 100 meetings with community and
businesses in the local area, and 15
briefings at city councils and county board
meetings.

Ron Litzinger, the President of Southern California Edison, and I have briefed the local elected officials within 30 miles of San Onofre on specific elements of

our analysis, our conclusions, and our proposal for safely restarting San Onofre. Also, we have conducted open houses in the local communities where we bring in employees with information and set ourselves up in the community center, something like this, where members of the public can come in and ask questions and participate with our employees and in discussions with us and others on San Onofre to serve as an education base for

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folks.

We conducted three of those last year from the time we submitted the Confirmatory Action Letter to the end of the year. We have another, we have several more planned this year next. The next one will occur on March 20.

Our employees, as I mentioned, by participating in open houses, serve as our ambassadors. They carry that information back into local communities in areas where they live and where they contribute to the local communities. Our employees are also a key part of our emergency preparedness organization, our emergency response organization. Our responsibility is to protect the health and safety of the public is demonstrated through our emergency

preparedness and our emergency response organization. We take that responsibility quite seriously as well.

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Those employees serve on the emergency response organization and are assigned duty positions where they are on call 24 hours a day, seven days a week, 52 weeks a year. To respond to the plan, respond to the facility, and be able to activate our emergency response organization which ensures prompt communication with all of the local jurisdictions and areas. And ensures prompt communication with the Nuclear Regulatory Commission, California Public Utilities Commission, and other groups. So it is those employees that serve in those areas and serve in those functions.

We recognize that there are many in our community who do not have English as their first language, and all of our materials, all of our communications are geared towards those who may not have English as their first language.

In that regard, we have prepared and sent out the emergency planning brochure that has been sent to all 60,000 businesses and residences within 10 miles of the plant, that is called our Emergency Planning Zone. We

have also done outreach presentations
associated with that emergency planning
brochure with the local jurisdictions and
groups within the area.

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In addition, because we are a tenant of Camp Pendleton we -- the property that we occupy as part of the Naval Department's property on Camp Pendleton, we have put together a supplement to our emergency planning brochure related to the military families, the Marines and others who live on Camp Pendleton, to make sure they have a clear understanding and direction on our emergency response organization.

Schools in the local area, we work with Capistrano Unified School District in providing the cascading brochure to allow teachers, students, and parents to understand the elements of our emergency response procedures and how to appropriately work through a situation like that. We went over that in overview presentations with the Capistrano Unified School District Parent Teachers Association, and we've also invited those teachers and students to visit our plant and come visit our control room simulator.

We've participated in multiple

emergency planning forums in Southern

California, primarily as a part of the

Interjurisdictional Planning Committee, which

is a group of nine local governmental and

community organizations that serve to form

the communications base and the response base

for our emergency planning.

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As being a member of the

Jurisdictional Planning Committee we also

participate in monthly meetings associated

with that. We perform quarterly drills, also

siren tests for the emergency planned sirens.

We communicate with the public and local

officials about those sirens as they are

coming up on the calendar.

that not all of those communications are likely to get to everyone, despite our efforts. So we worked with the AT&T White Pages to put a special section in the White Pages related to the emergency response plan associated with San Onofre. We've ensured that these White Pages have gone to all of the residents and businesses within our 10-mile emergency planning zone around the facility.

We view the safety and public interactions that we are obligated to

undertake, and we look forward to undertaking, we view those very, very seriously, take pride in what we do. And we take pride in protecting the health and safety of the public.

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Lastly, all this information that I've talked about tonight as well as our Confirmatory Action Letter response is available on our website, and that website again is www.songscommunity.com.

Thank you very much.

ALJ DARLING: Thank you very much.

I'd like to invite Stephen

Mensinger, Mayor Pro Tem, City of Costa Mesa
to join us. Since this is our host city, we
are very grateful for the facilities being
provided to the Commission for the public to
come forward today. Mr. Mensinger.

## STATEMENT OF MR. MENSINGER

MR. MENSINGER: Thank you very much.

First, I want to welcome everybody to the city of Costa Mesa, and I want to welcome you to our downtown community center. If you haven't been here before, this is just part of Costa Mesa. It is a beautiful city of 116,000 people. We were very proud of it.

By the way, we are experiencing a little bit of economic growth here in the

1 community. Retail sales are up, Southwest 2 Plaza is our \$2 billion retail giant that 3 generates a lot of revenue. We are grateful 4 to partners like that in helping enhance our 5 tax base. On that note, I welcome Edison here. 6 7 Edison has been a great partner for the City 8 of Costa Mesa, especially as it relates to energy conservation. And I can speak for a 9 10 lot of the community, especially the business 11 community. We are very supportive of nuclear 12 power, clean, reliable, and efficient power 13 for our city. We have a lot of businesses, 14 and we have a lot of folks here dependent 15 upon that energy to keep their job base here in Costa Mesa and also in Southern 16 California. 17 18 With that, I would like to say thank 19 you for coming; and PUC, thank you very much 20 for being here. 21 COMMISSIONER FLORIO: Thank you. 22 ALJ DARLING: Next speaker the Mayor of 23 Santa Ana, Mayor Miguel Pulido. 24 If I mispronounce anyone's name, 2.5 please correct me. 26 STATEMENT OF MR. PULIDO

both to you, your Honor, and to the members

Thank you.

MR. PULIDO:

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Thank you,

here of the PUC.

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I just want to tell you that we are concerned about your decision as to what to do on San Onofre. As best I understand, our good friends at Edison are doing the best they can, but this is an old facility. It is a facility that many of us believe it has had its active use. And now the plans are to operate at 35 percent power potentially. And, you know, the concern is that at some point we have to go beyond its useful life.

I believe that this is a good opportunity for us to potentially consider some type of a feed-in tariff, for example, for alternative energy. We have done a lot of good things with Edison to look at energy conservation, to look at, you know, solar, to look at energy efficiency, to look at better insulation in buildings, to look at residential programs. In essence, to do things that will not only reduce our carbon footprint that we must do. Because the path that we are on is a very, very difficult one to sustain. And so sometimes when you come to decision points like this it is an opportunity to go, I believe, in a better direction.

We can begin to decentralize. There

is a lot of demand potentially to have small storage throughout the community. We are a city of about 350,000 people. Our load is about 600 megawatts. And we've done a lot to reduce already in terms of trash by weight.

We are down by 50 percent.

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In our fleet we have five hydrogen vehicles. I myself have over 300,000 miles. Why does anybody have to travel that much? But 300,000 miles on a plug-in hybrid that we have been working at for about eight years with South Coast Energy Management District. We have a good partnership with our friends at the California Air Resources Board to try to reduce, you know, all mobile emissions and all that. And so power plants become very, very important.

And to the extent we can say, look, we are at a point, let's work with our friends at Edison. Let's figure out how to move beyond San Onofre. We still have issues there. What are we going to do with the spent rods, what are we going to do with the buildings that are becoming older and more brittle?

We don't have to talk about the steam generators and the vibration and the pipes. That is for the Nuclear Regulatory

Commission. But as the Public Utilities Commission, you guys have tough decisions. so much thank you. I'm a public servant as well as you. It is tough. It is tough. You go around, you go to different places, you talk to different forks. You try to take it all in, and you try to make a good decision. Look, the folks over at Harvard couldn't come up with better case studies than the real-life studies of the situations we get into.

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So again, thank you so much for your consideration, for your public service, for your time. Here I really appeal to you.

Let's think out of the box. Let's think out of the container in this case, and let's try to move forward.

To the extent that you need anything from us, I'm Chair of the Energy Committee for the United States Conference of Mayors.

I can help you. I can get to mayors from around the state and around the country, for that matter. But particularly in California, we have a very good communication between the 10 largest cities in the state. If there is initiatives you want to try, whether they are in the PG&E territory, SDG&E or here in Southern Cal Edison, we are here to help you.

We think you have a very tough job, but you are doing a very good job under chair Mike Peevey and others in the past. You've really moved the ball forward. You've become leaders in the country, and a lot of folks look towards you for leadership. So please continue to lead us in a good direction.

Thank you very, very much.

ALJ DARLING: Thank you.

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The next speaker Mr. Dean Grose from Los Alamitos council.

## STATEMENT OF MR. GROSE

MR. GROSE: Good afternoon, welcome to Southern California.

My name is Dean Grose. And while I'm a member of the city council in one of Orange County's smallest cities, I'm here on behalf of those that elected me to serve and seeking to address the issues of concerns over the viability and need for San Onofre Nuclear Generating Station.

I didn't have an opportunity to participate in one of the briefings that they had down at SONGS, and the county information and the diligence that Southern California Edison has exercised thus far looking at Unit 2 and trying to solve issues that exist for Unit 3 to be reasonable business decisions

and good stewards from the standpoint of the needs of the communities in terms of power.

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I understand that the requirement has been opposed by Edison to meet alternative power needs such as solar and wind. The fact remains that the greater Southern California area is heavily dependent on electrical power, and for all of us that output is SONGS. It exists, and has for more many decades, has operated safely supplying the power needs for the growing southland area. To lose that at this particular stage is going to be a major problem, because you can't produce alternate power in a swift, easy manner.

I know that SCE is working on alternative generation. The time and consuming logistics just aren't going to happen quickly. So we have to look at what is within our existing reach in this particular case.

We've succeeded to get through the peak demands of last summer without rolling blackouts. We experienced those several years back under Governor Gray Davis. The public wasn't happy then about increased rate spikes or the fatal delivery of power. It cost him his job. We have to do this

1 correctly.

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As we face the challenges of SONGS,
Unit 2 was shut down for routine maintenance
and has now been inspected and is ready to go
back online, according to the people who are
much smarter than I am. While there have
been issues with turbines at Mitsubishi,
solutions are being formulated. We need to
assure that Unit 2 is ready to go and get
back into service.

We are talking about grid stability. The infrastructure to import additional power to service the area from San Onofre isn't easily accomplished. In fact, several hundreds of thousands of dollars have already been spent by Southern California Edison just in power since Unit 2 has been down.

The most important issue I think before the PUC today is what are the contingency plans for SONGS, how do our citizens and constituents know that they are going to have stability as we approach higher demand months that are coming. We have businesses and residents in our community that have critical needs, and a reliable grid source must be assured, such as Unit 2.

I installed solar on my house three years ago, so I'm doing my part to try and

help in maintaining the grid in the process. 1 But even here in California the sun doesn't 2 3 shine all the time. When it doesn't I, like 4 so many of my citizens and residents and 5 businesses, and I'm in business in Los Alamitos, half depend on the power grid. 6 Му 7 question is: What are going to be the 8 contingency plans? 9 Thank you very much. 10 ALJ DARLING: Thank you. 11 COMMISSIONER FLORIO: I should take 12 this opportunity to mention that the 13 California Independent System Operator that 14 manages the electrical grid is in the process 15 of completing what I think is the first ever 16 study of how the grid could operate long term 17 in the absence of San Onofre. As soon as 18 that is completed, we are going to be opening 19 a proceeding to look at those contingency 20 plans. 21 People haven't been sitting on their 22 Within a week of the original outage, hands. 23 the governor's office put together a 24 multiagency team that worked on a number of 2.5 initiatives that we were able to get in place 26 last summer, including bringing back the 27 Huntington Beach plant for one more year.

That is no longer available as a generating

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facility, but we are working on a plan to reconfigure that to provide voltage support even though it can no longer -- no longer permitted for air emissions.

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There are a variety of things that Edison is doing with its transmission grid, generally minor upgrades that can provide pretty quickly. But again, as I said earlier, if San Onofre is out this summer, there will be calls for conservation and programs available that customers can participate in.

But as soon as that ISO study is completed, we are expecting it late March or early April, we will be looking at that.

Edison and San Diego Gas & Electric will give us their comments. There will be an open proceeding for other parties to come in and give their thoughts as well.

As we are dealing with the economic issues we are never losing sight of the importance of the reliability of the grid for Southern California.

ALJ DARLING: Okay. The next speaker, Barbara Kogerman, Mayor of Laguna Hills.

### STATEMENT OF MS. KOGERMAN

MS. KOGERMAN: Thank you, Commissioner Florio and Judge Darling.

I am Barbara Kogerman, Mayor of
Laguna Hills. I have now had the opportunity
to attend briefings at SONGS, and I think
"briefings" is probably a misnomer. They
have been quite lengthy and quite
informative. And I've been very impressed by
the thoughtful deliberative process that
Southern California Edison is undertaking.

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I am concerned about fear mongering and half truths on the safety front. Nuclear activists will talk about fear for public safety, but what they don't tell you is that there has never been an event at San Onofre that resulted in a need of public action. There are some nuclear plants around the country that have been shut down for safety reasons, but San Onofre is not one of them.

The NRC has never shut down SONGS for safety reasons. And on January 31, 2012, when operators detected a leak, they operated quickly and safely to shut down the unit. The system worked exactly as it should have worked and no one was injured.

Now, SCE is fully cooperating with the NRC to ensure that San Onofre is safely brought back online. As the mayor of Laguna Hills, I support a safe restart of Unit 2.

The NRC has a good process, and I say let the

process work. We are interested in safety and reliability. I understand that is your purview. And in the interest of safety and reliability,.

I encourage you, again, to let the process work. Thank you.

ALJ DARLING: Thank you.

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Mr. Ron Garcia, the Mayor of Brea.

### STATEMENT OF MR. GARCIA

MR. GARCIA: Judge, Commissioner, thank you very much.

As you may know, Brea is at the north end. We like to think of ourselves the gatekeeper for those LA County folks. We have a mall there, and we try to stop them there to spend as much money as we can.

I'm a native Californian, born and raised in California. I remember driving down the freeway when the plants were first being built. It is interesting that I've come full circle, because I remember as a young boy, I'm 65 now, a young boy of 17 or 18, remembering that my parents said, well, as we pass this nuclear facility you have to hold your breath because you can't breathe in the air. And not having a big lung capacity, I was wondering how long I would have to. Here it is 65 or 50 years later, I'm standing

in front in support of good, clean, safe start-up of nuclear facility there.

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I served my country in the United
States Navy, stationed in San Diego. Went to
boot camp there, and had to -- attended a
program out of Coronado Island before I went
and served in Vietnam. I served 2-1/2 years
in Vietnam from the time I left at 18, 19
years old. I saw that facility being built.
And while I was gone, I, in fact, I had to
become a nuclear potential cleanup person on
the vessels that I served on. I came home
late '68 and '69 and saw that the facilities
were completed. Today, as was indicated, I'm
the mayor of the city.

We are not on this particular grid, but we look at it holistically. Our community is proud to say that we are the largest producer, municipal producer of solar energy in all of Orange County, but we are only 40,000 community. We only are about nine miles. We just started this process about a year and a half ago. We've reduced our carbon footprint by 40 percent going solar.

So it is obvious that somewhere in the future there will be a cleaner source.

At this particular point now, we have a plant

that is down there. As stated earlier by speakers, the problem was determined by the engineers and the people that were responsible there to shut the facility down.

Nobody came in and said you needed to do this. So the system worked.

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We are, of course, asking -- or what they are asking and we are supportive of is that there would be a five-month period, from what I understand, and go up to a maximum of 70 percent capacity. That certainly seems like a reasonable capacity and reasonable amount of time for you in the capacity, that capacity that you sit in and the agencies that have responsibility and authority to observe this process and evaluate it. think you are going to find that the Southern California Edison Company will meet their goals of being able to continue on. Again, I said we are not on the grid, but we are part of the system, an ecological system. energy is there.

We've done our share up in Brea. We know that that energy -- the bullet went over our head last summer. I can't guarantee, nobody can guarantee that that one fact will occur again. If my fellow communities out there need that energy source, they are going

1 to have to get it.

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I sit as Vice Chair for the National
League of Cities, Community Economic
Development Committee. That encompasses part
of what we refer to as regional housing needs
assessment projects. There are going to be a
lot of houses that are going to be built
right away.

There has been a pent-up demand.

fact, we are supportive of a bill, Bill 116. That would extend the tentative track approval for houses that have been approved but haven't been built because of the economy, and we were asking for that tentative approval to be extended. Because when it turns around, we need those sticks to go in the ground as soon as they can so the energy requirements for those houses to be built is going to be there. There is a turn around. We certainly don't want that to be held up. We certainly want the energy to be there for those houses and those families and those roofs to be over those children's heads.

I'm not speaking as the Mayor of Brea, but as a citizen, somebody who used to holding their breath. I breathe all the way through there now. So I'm very comfortable

1 with it, but we want the oversight. Trust 2 and verify. That is what we would like. 3 So I am personally supportive of 4 The five-month period seems 5 reasonable, but -- to reach its full 6 capacity. We ask that your folks to do their 7 job and make sure that it is safe. 8 support it. 9 Thank you for your time. Thank you 10 for the hard work that you are going to put 11 in this. It is nice to be on this end here 12 as opposed to your end for this evening. 13 Thank you again for your time and your work. 14 ALJ DARLING: Thank you. You are to be 15 congratulated for those conservation 16 achievements. 17 MR. GARCIA: They were expensive, but 18 it was worth it. 19 ALJ DARLING: Mr. Matthew Harper, City 20 Council, City of Huntington Beach. 21 STATEMENT OF MR. HARPER 22 MR. HARPER: My name is Matthew Harper. 23 I'm a son of a veteran that trained there in 24 Camp Pendleton before he served in Vietnam. 2.5 I currently am the Mayor Pro Tem of the City 26 of Huntington Beach. 2.7 The City of Huntington Beach is, of

course, the only city here in Orange County

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where more electricity is generated than consumed. I think it is important to point out a few things that will help put this into context, and that is that many of our citizens agree, that don't force us to carry the entire burden of electricity within Orange County.

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Our power plant allows -- it is such an institution and such a part of the history of city of Huntington Beach, that actually the nearby high school is Edison High School named for the previous owner. And, in fact, their mascot is the Chargers. So I want to note that we've been carrying the burden for quite some time. It is very important that that burden is shared across the region. I think that has been represented to other organizations about what may or may not be the position.

Our counsel has not taken a position with regards to SONGS. I'm here speaking today. I would point out that because of our relationship with the AES Power Plant, if our councilmembers, in fact, took a position against SONGS that they would face certain defeat at the next election because of how many people are aware of their nearby neighbor with AES.

I think it is important to note just that Huntington Beach and San Onofre together allow the remaining cities of Orange County to be able to enjoy our electrical grid without having to have full-sized power plants distributed throughout the county in order to maintain the grid.

I would like to urge you to work with Edison to bring back San Onofre Nuclear Generating Station so we can have the reliability across the region so the burden is indeed shared across the region.

Thank you.

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ALJ DARLING: Thank you.

We will be proceeding with individual members of the public. You will have three minutes each to speak. I'm going to read out several names at a time, probably about five, have you come forward so the Public Advisor's staff can facilitate the most efficient use of time in making sure everyone gets up and speak.

The first five speakers, Faith

Bautista, Joe Como, Tim Keenan, Uma Kuchmia

and Weston Labar. Please come forward,

starting with Ms. Bautista.

#### STATEMENT OF MS. BAUTISTA

MS. BAUTISTA: Good evening,

Commissioner Florio and Judge Darling. I

appreciate the opportunity to speak here

today on behalf of San Diegans and

Californians who are unclear on the impact of

the nuclear energy.

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As the testimony we filed on
February 8th in this case states, we just
completed a survey of 160 San Diego
ratepayers on San Onofre nuclear power.
Since the survey appears to be the only
survey made of Southern California residents'
reactions to San Onofre nuclear issues, I
would like to briefly discuss it.

First, I want to thank the Commissioner for recognizing the importance of utility education and outreach to all consumers and ratepayers of Edison and SDG&E.

Fifty San Diego ratepayers asked me as the President of National Asian American Coalition to testify for them as well. I'll be submitting their 50 names. I hope this will, therefore, provide more times for others who wish to testify. And by the way, San Diegans also wants to have a hearing since they are part of this case.

The recent nuclear disaster in Japan demonstrates the importance of an educated public. My personal experience in the PG&E

San Bruno gas explosion case also
demonstrates this. The perception of safety
is often as important as safety itself.

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I appreciate the report of Southern California Edison under public -- under outreach; but sadly, they need to do more to recognize the importance. But I have confidence that CEO Jessie Knight and President Ron Litzinger after this hearing, they will move forward with comprehensive community education and outreach program.

I just want to make a comment that on the White Pages, I don't remember the last time I even opened White Pages. I don't even know whether people look at the White Pages. So I think it might not be really effective type of outreach.

And for the Southern California,
just like today we met with the Burmese
community. There are 300,000 Burmese in
Southern California, Cambodian, Laotian,
Filipino, Vietnamese. They have to be really
mindful of the subethnic group, especially
when you spoke about the English as a second
language. I think the importance of that has
to be a top priority.

So the NAAC survey completed in January in San Diego County surveyed 161 San Diego ratepayers. In summary, this is what the people had to say.

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Ninety-seven percent stated they had no information or needed far more information relating to the impact of nuclear plants, including rate increases and safety. None said they had enough information.

Number two, when asked if they favored nuclear energy as a source of electricity, two-thirds said they did not have enough information.

Number 3, over 90 percent surveyed said no one from any utility provided them with sufficient information on nuclear energy as it affected their electricity bills or safety.

Number four, this is very frightening, 91 percent said that they did not even know how to get the information on what to do in a nuclear emergency.

So in a nutshell, this hearing is wonderful, but they have to do a massive outreach in every language, especially for the immigrants as English as a second language.

Thank you so much.

ALJ DARLING: Next speaker Mr. Joe Como, Acting Director of the Division of

1 Ratepayer Advocates. It is a division 2 that -- I guess I'll let you describe it. 3 I'll give you an extra 30 seconds. But they 4 are a division that has ratepayers' interests 5 first and foremost. So he is your rep here 6 in the proceeding. 7 Mr. Como. 8 STATEMENT OF MR. COMO 9 Thank you, Judge Darling for MR. COMO: 10 that compliment. Thank you, Commissioner 11 Florio. 12 DRA, as the judge said, is the 13 ratepayer advocate. We were a division at 14 the California Public Utilities Commission --15 (Mr. Como turns to address audience) -- I 16 feel like I should be talking to the people. 17 ALJ DARLING: Sure. 18 MR. COMO: That -- we represent the 19 people, ratepayers of investor-owned 20 utilities. And it is our mission, our 21 statutory mission to advocate for the lowest 22 possible rates consistent with safe and 23 reliable service levels. 24 Since we were a party and very 2.5 active, and actually I thank ALJ Darling and 26 Commission Florio for doing a great job in

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trying to figure out these issues. I wanted

to say that -- I'll just keep it to two

1 issues.

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One is that the -- I ask you not to rush the CPUC's investigation in this. The NRC is coming out with their report probably in April or May, I understand. And so we would like you to fully digest that before you come to the conclusion which you will come to.

The more major point I want to make is something I've made before, in that under traditional ratemaking principles, as you know, a utility has to demonstrate that their facilities are useful before they can go into rate base. What that means in normal parlance is that they are not supposed to be charging money to the public unless they are actually providing a service. When a plant doesn't generate electricity --

(Applause)

MR. COMO: The point I want to make is a year has gone by. I've asked the Commission to please take it out of rate base. Because if the plant was being built and was not generating electricity, you would not put it into rate base in the first place. There is no reason for it to be in rate base now.

About a billion dollars has gone

sort of under the bridge already on the
amount of money that is still being collected
for San Onofre from both Southern California
Edison and San Diego Gas & Electric. It is
about \$700 million for Edison and about \$200
million for San Diego Gas & Electric.

I know you are going to address this issue, but there is no reason not to take it out of rate base now for the foreseeable future, because the only issue that has to be determined is if the plant is operating or not.

As Mr. Dietrich had said before, the units are shut down. It is a no brainer, as far as I'm concerned as far as from this day on, until the plant either comes into service or retires.

Thank you.

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ALJ DARLING: Mr. Keenan.

# STATEMENT OF MR. KEENAN

MR. KEENAN: Good evening. My name is Tim Keenan. I'm the former mayor for the City of Cypress, California, in Orange County. I'm currently the Chairman of the Board of the Cypress Chamber of Commerce representing 250 members and 20,000 businesses. I'm a businessowner myself in the city of Cypress.

I'm here to thank you for this process, because you need to hear from all the constituents that are involved in this, and that the -- our energy users.

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While I support conservation and I support efforts for alternative energy, getting away from carbon base to energy is important. And I think that that is why I support the bringing back SONGS online, because nuclear energy is clearly one of the best ways to get away from the carbon-based energy process.

The PUC says that we need to be prudent and conserve, but the reality is we are a growing county. We are the fifth most populous county in the nation, 3 million people and growing here in Orange County. It will continue to grow. Because we are the Southern California Basin, and because of concerns about air quality. There will never, ever, ever be another generating plant built here on the basin.

So yes, we can look at solar and when the sun shines, yes we can look at wind when the wind blows. But the reality is that we need SONGS back online if it is determined to be safe, because we need that consistent power for our businesses, for the reliability

1 of energy. And we are concerned about the 2 cost of energy to live here in Southern 3 California. It is expensive, and this is just one of the ongoing costs of being here. 5 So that is what I have to say. 6 Thank you very much. 7 ALJ DARLING: Thank you. Uma Kuchmia. 8 9 STATEMENT OF MS. KUCHMIA 10 MS. KUCHMIA: Kuchmia, and you did a 11 very good job. Thank you. 12 I want to thank you both for coming 13 in, sitting through this arduous process. 14 You have many stakeholders to satisfy, and I 15 know there is not too much new I can tell you 16 from what you've heard today. 17 However, there is something I want 18 to remind you of is that the old future is 19 gone. We cannot continue the way we have been continuing, that should be obvious to 20 21 everybody. Any house that is built now 22 should be totally economic in terms of its 23 use of energy sources. So conservation is 24 the thing that should be our next step. 2.5 is the easiest step, because everybody can do 26 it and everybody understands it. 2.7 I want to also remind you that there

are a number of bottom lines. SCE has its

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own bottom. It's a personal bottom line if
there is an accident. How many people in
this room would survive? We have no idea.
The environment is a bottom line. How much
of our land that grows crops or services for
others would be destroyed? How many animals
would be destroyed? The economy is a bottom
line. How many businesses would be
destroyed? What value would the land have
to the landowners if there was an accident?

So I think I heard that your job is

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to provide sensible options for the future?

I may be putting words into your mouths. I

wanted to say that nuclear is not a sensible

option. Is there any other industry where -
that can't dispose of its waste and can't

dispose of its waste for a million years?

I'm not sure what the timeline is, but it is

certainly beyond our lifetime.

And I know that Southern California Edison is trying very hard. However, what industry has to work so hard to protect the public from its own -- very own danger? See, this doesn't compute. Yeah, we are working hard to protect you, but why do you have to protect us against ourselves? I mean we are in a human mind warp here. This is not a safe form of energy, and we can't dispose of

the waste. That is not a sensible alternative for the future. It is not a sensible alternative for now.

(Applause)

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MS. KUCHMIA: As far as protecting us from the danger, well, yeah, we haven't had a nuclear accident yet. But we have a very dangerous situation in which a steam generator and the coup de maître that were put in place didn't work, you know? So we had just a little accident this time, but that is the danger. We've already experienced the danger. We can fix it this time, but what will it be next time? This is not a sensible alternative for the future, and putting more money into nuclear energy means we are not exploring other resources.

I cannot believe that just the few things that we've thought of already, you know, the solar power and wind power and everything is everything that human beings can come up with? I'm sure there is a lot more in the pipeline that I don't know about. I'm not a scientist, but every so often I hear about, wow, somebody is making oil out of microbes, you know? There must be more.

But as long as we can keep going down this path and saying, you know, we've

got to do it this way, it is not the way.

What we are doing is going down a murderous path. We are murdering ourselves. We are destroying ourselves. One accident, as you saw in Fukushima, is all it takes.

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So thank you very much.

ALJ DARLING: Mr. Weston Labar.

### STATEMENT OF MR. LABAR

MR. LABAR: I'm Weston Labar. I'm here representing the Long Beach Area Chamber of Commerce. I'm their consultant for public policy and economic development. And our over 1100 members support bringing SONGS back online.

We have serious concerns with the energy future in California, both the rates and the reliability. Moving forward, right now businesses are just struggling to get out of an economic recession. And by adding more rate costs makes it hard for them to employ more Californians. And as we know, Californians are lagging behind in the recovery process nationwide.

The other thing I'd like to bring up is through AB -- we support Long Beach as one of our members. And through AB 32, they are actively pursuing ways to green the corp and reduce their carbon footprint. One of the

things they are going to be doing is plugging in the ships as opposed to having them run into ports. That is going to be a huge consumption of energy. We don't know what that is going to be exactly.

As they look at closing different power, as Cal ISO determines where the grid is going to be drawn, they look at other plants that I've gotten to look at. I know AES has a Redondo Beach plant, Hunting is going off-line. As we look at these other plants that might be shutting down, it makes commonsense to us right now to extend and renew the SONGS power plant. And we really hope that you will consider that, because our business community is fearful of the cost that it is going to have for them, especially the small businesses.

Thank you.

ALJ DARLING: Thank you.

The next speaker will be Larry
Kramer, City Council of San Juan Capistrano.

22 Kramer, City Council of San Juan Capistrano.
23 I just want to go ahead and identify

the following five speakers to come forward,
Yoko Collin, Steven Mendoza, Mike Aguirre, Ed

25 Yoko Collin, Steven Mendoza, Mike Aguirre, E

26 Fawcett, and Dr. Marilyn Ditty.

Let me take a moment to check in with our court reporter.

(Off the record discussion) 1 2 ALJ DARLING: Thank you. 3 STATEMENT OF MR. KRAMER 4 MR. KRAMER: Thank you. My name is 5 Larry Kramer. I'm the former mayor and currently on the city council from San Juan 6 7 Capistrano. So I live in fairly close proximity of San Onofre. Also, my wife works 9 in San Clemente every day as a volunteer. 10 I'm speaking for myself this evening. 11 As a background, I have a degree in 12 electrical engineering, and I served in the 13 Navy for 30 years in nuclear submarines, 14 including three commanding submarines for 15 three times. 16 I've attended every local meeting 17 the NRC held on SONGS since the leak 18 occurred. I believe that some persons made 19 mistakes, but I'm hopeful we won't have to suffer as a result of those errors. I'm also 20 21 hopeful the NRC will find it is safe to 22 restart SONGS Unit 2 and it will be up and 23 running by this summer. 24 From what I have learned, Edison is 2.5 taking precautions to ensure that what 26 happened with Unit 3 will not happen with Unit 2, in addition, proposing operating only 2.7

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70 percent. They have conducted excessive

testing in Plug 2, the area where the damage was found in Unit 3.

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Nothing is without some risk. We do not live in a risk-free society. The human race has never lived in a risk-free society. There is always the possibility there would be another tube leak, but the operators of SONGS demonstrated they are very capable of taking quick and corrective action should it occur.

The amount of radiation that leaked from before was not hazardous to the workers of SONGS or the general public. If people are really worried about radiation, they probably shouldn't fly in an aircraft. They are probably going to receive more radiation from one flight across the country than they will receive in their entire life living somewhere near SONGS.

Not starting up SONGS would have significant short-term and long-term negative consequences. Last summer we had a power station at Huntington Beach to cushion the loss of power and also to provide stabilization. That is not available this summer. This summer, this past summer was not terribly hot. We had pretty good weather, so power demand was not excessive.

There were no major fires which interferes
with any of the transmission lines last year.

It is one of the few years we haven't had
major fires.

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I've lived for many years in countries that had frequent interruptions of power. It is not pleasant, nor is it good for any aspects of the economy. Our economy in the United States is just coming back. In San Juan Capistrano we are facing major economic challenge for the next couple of years as our major freeway interchange is being rebuilt, which cuts our town pretty much in half. Thus, if we had a problem with power, it would be extremely challenging to our small city. The addition of unreliable power would keep our business community back for many years.

Some people talk about conservation, which is great, and alternate source of power, which I support. Conservation only goes so far. And as our population and economy recovers and grows, at best we will see the rise of power demand lessen but will still continue to go up.

Federals are pushing for more electrical vehicles. People talked about they have plug-in vehicles. That is all

coming off the grid. That demand will increase significantly as we try to keep pollution down in California.

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In looking at alternative source of power, we require sources that are baseloaded. Solar and wind are nice, but are only good when the sun shines and wind blows. Why when they have a lot of solar power they are now restricting its installation, since when the sun goes behind cloud there is a rapid need for some baseload to come up very quickly. We have to be very careful we don't depend on those intermittent sources of power.

you are well aware of there is very little storage of it. There is no limit. The only way I know is pump storage, which is a plant that I worked with at one time, and batteries. Also, alternatives must either be coal, oil, or gas-fueled power plants. All of these emit greenhouse gases. And if you believe they contribute to global warming, then you would not find them to be a viable alternative.

Hydroelectric power is clean but very limited in California. The possibility of getting licensed for any of those in

California will likely take years.

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I don't know how many people around here want another power plant nearby. I think that would take a while. They attempted to put in a peaker plant in Ladera Ranch and that was protested strongly, and they did not put that in.

Other alternatives are to bring in power from outside our state where the environmental laws are less stringent than they are here. How many people want more power lines going through their neighborhood, through their cities? We were in the process -- or San Diego Gas & Electric wants to upgrade some of our transmission lines within San Juan Capistrano, and that is meeting significant opposition. All of these things take many years to accomplish. We can always go out and purchase our own gas-powered generators. If you like pollution, you will love those generators.

In terms of working with SONGS, with respect to if there is an action or something like this goes along, our working relationship with SONGS has been excellent over the years and continues to be. We meet with them on a very frequent basis to make sure we are up to date and know exactly what

1 is going on. 2 In my opinion, nuclear power plants 3 have a great track record in the United 4 States, it is safe, baseloaded, a clean 5 source of energy. And I urge the NRC to allow SONGS to restart Unit 2. 6 7 Thank you very much. ALJ DARLING: Ms. Collin. 8 9 STATEMENT OF MS. COLLIN 10 MS. COLLIN: My name is Yoko Collin. 11 live in Lake Forest. 12 After attending the CPUC public 13 hearing, I was very concerned about how 14 people don't understand about the danger of 15 the nuclear energy. Nuclear spent fields are 16 extremely radioactive, and they need to be 17 stored more than 50,000 years, I'm not sure, 18 100,000 years. Think about the dangers of 19 our civilization, human civilization, 20 culture, maybe about 4,000 years or so. 21 In this country we even don't have 22 cities to storage nuclear waste. We don't 23 have technology for remove the toxin out of 24 the spent field. There is no manmade 2.5 building that lasts long enough.

Chernobyl accident happened about 27 years ago and the building is already in bad shape. They are making another cover over

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1 the old one.

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We already have so much nuclear waste in this country. Do you think it is okay to create more nuclear waste and give all the burden to our children? Or is it the time that we need to shift to renewable energy? How about we change our lifestyle.

Do you know what happened on March 11th, 2011? Nuclear accident of Fukushima Daiichi Power Plant. It is not over yet. It is still releasing huge amount of radiation into the air and into the Pacific Ocean.

And then from last year there are about 38,000 children under 18 in Fukushima have tested for thyroid abnormalities, and then by December more than 40,000 of those children have some kind of thyroid normalities.

And then I just get latest news that Fukushima Prefecture just released on February 13th, out of 1300 tested children now 3 children have cancer. And now have more 7 positive cases. They conducted second test and positive. So more than 90 percentage they have thyroid cancer. And then in the world wide, thyroid cancer is known very rarely happen in children, 1 in 1 million or less. So how many percentage is

1 going to happen? And then the study show 2 more than 50 children possibly have thyroid, 3 some kind of cancer. 4 My family live Tokyo, which is more 5 than 180 miles away from Fukushima Daiichi, but the land is (inaudible). And I don't 6 feel safe to take my children there to see my 7 8 family. I lost my home country who is no 9 longer safe over there. I lost my food 10 culture as well. 11 Did you know taking x-rays and 12 inhaling radioactive particle are not same 13 thing? When accident happened, all those 14 dangerous radioactive isotopes are released 15 into the air. (Inaudible) all over and they 16 will blow up again. And we are going to 17 inhale them, those radiation, and we eat 18 them. And I call radiation explosion. 19 ALJ DARLING: Ms. Collin, can you wrap 20 it up, please. MS. COLLIN: Almost finished. 21 22 ALJ DARLING: Time is up. 23 MS. COLLIN: Nuclear accident can 24 happened everywhere, but San Onofre Nuclear 2.5 Plant is the most expected as the next 26 danger. We don't have evacuation plan, nor a 2.7 way out. Fifty miles is not enough.

So can we evacuate safe? Can we use

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free waste? How can we protect our children?
We must shut down San Onofre Nuclear Power
Plant.
ALJ DARLING: Mr. Steven Mendoza.
STATEMENT OF MR. MENDOZA

MR. MENDOZA: Thank you, your Honor, and Commissioner.

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I'm here to talk about reliable energy. I want to take a moment to describe how stable grid is important to our city and the City of Los Alamitos.

Los Alamitos is on that grid, who else is on that grid with us? The Joint Forces Training Base. They provide core emergency response to all of California, the hub of California International Guard. Who else is on the grid in California? Los Alamitos Medical Center. They provide key emergency services to West Orange County, including all seniors and Leisure World. Aerospace employers are in Los Alamitos, necessary street lights and traffic signals and all of the cities that have spoken today.

Energy is necessary, local energy is even more necessary. The City of Los Alamitos, its base, hospitals, schools, employers and citizens rely upon a stable grid. Again, reliable electricity is

1 necessary for us.

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In lieu of optional sites that all parties can agree upon, Orange County is ill prepared to offer replacement locations for new generating stations. We've heard that a few times today. Until there is a replacement plan for future generating stations that could obtain countywide support, or even support of all parties in this room, all current forms of electricity should remain available.

Thank you.

ALJ DARLING: Mr. Aquirre.

## STATEMENT OF MR. AGUIRRE

MR. AGUIRRE: I'm here in my capacity as a ratepayer in San Diego.

I want to explain to you from the heart why the public has no confidence in you to make the decisions or to protect the public. Why the public has no confidence in you to protect the public interest.

First of all, it was the PUC that approved this debacle. You are the ones that authorized four new steam generators for the old ones, because the old ones had two problems than new ones and worsening two problems. And that was done on your watch, and you are responsible for having made

1 mistakes.

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Secondly, you allowed Southern Cal Edison and continue to allow them to charge in rates the full cost of the steam generators even though they had completed installation in February 2011. And they were supposed to come back under the order that you are not enforcing, your own order, upon completion, and that hasn't happened. And you are allowing them to charge hundreds of millions of dollars without complying with your own orders.

ALJ Darling, during the general rate case you failed to initiate an OII. You knew about what happened with San Onofre in January. You should have taken action then. You used the lame excuse that testimony had been completed. And in so acting you gave SCE -- you gave SCE the opportunity -- you gave SCE the opportunity to argue that rates can't be -- that costs can't be taken out of rates until 2015, because you didn't bring it up in the 2012 general rate case.

Now, SCE is making a mockery out of these proceedings. First of all, you didn't pay for this building. You didn't pay anything. The only party that paid anything to be in any of these facilities here was

SCE. Yes, yes, you didn't pay a dime. Not only that, they are providing meals to security officers, peace officers in their private little club back here. That is a mockery.

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Last week SCE, or at least its contractor Shaw Stone and Webster, gave Costco cards through the San Diego County Federation of Labor to get a bunch of laborers that don't even work at SCE to come up.

We are going to have to go to court, and we are going to have to go to court right away. Because the public can't take the risk of more disfunction, more failure to protect the public interest by allowing you to continue. You may win, but we will make the effort to take you to court and to make the case that you have violated mandatory duties.

Thank you.

ALJ DARLING: There were several misstatements of fact in that, which I'm going to address only a couple them.

One, this is not a matter for the general rate case. An ALJ has no authority to initiate an OII. That was initiated by the full Commission following statute 455.5 of the Public Utilities Code.

1 This investigation was driven by 2 Commissioner Florio from the moment that the 3 authority arose, and we are proceeding on all of these fronts, as I described, if you had been here at the beginning. 5 Second of all, no one paid this, no 6 7 ratepayers' money, no utility money. This is 8 a free venue provided by the City of Costa 9 Mesa. And it was chosen because it was free, 10 and because it has good parking, and because 11 it is easy to find. I want to make that 12 clear. 13 I don't know who is buying food for 14 who, and that is not anything to do with the 15 Commission. 16 But those two particular facts I 17 wanted to address. I think Commissioner Florio has a 18 comment or two about the OII. 19 20 COMMISSIONER FLORIO: Yes. Again, the 21 timing of the proceeding was driven by a 22 statute. We actually moved a few weeks 23 earlier than the statute to get the 24 proceeding under way. 2.5 I will leave it at that. 26 ALJ DARLING: Mr. Fawcett. 27 STATEMENT OF MR. FAWCETT 28 MR. FAWCETT: Your Honor, Commissioner, my name is Ed Fawcett, President of the Costa

Mesa Chamber of Commerce. Thanks for this

opportunity to speak regarding San Onofre

Nuclear Generating Station.

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Rather than restating a myriad of statistics regarding SONGS' generating stats, the large number of nuclear generating stations operating safely throughout the United States, or any of the stats that demonstrate the need for SONGS Unit 2 reactor to be returned to operation in a safe and controlled manner, instead, I want to speak first as a businessperson concerned about California's recovery from a recession that has truly not gone away. Also, as a lifetime resident of Southern California, one who watched the building of San Onofre and has benefited by its safe operations all of those subsequent years.

Businesses and residents both benefit by the reliable 24 power -- 24 hour power generation provided -- that was provided by San Onofre power that cannot be adequately replaced by alternatives that require wind or sun. There is a place for wind and solar generation, but not to replace nuclear. In fact, only with SONGS on line do we have the opportunity to explore

alternative sources of energy.

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2 In addition, San Onofre cannot be 3 replaced by bringing on line less efficient 4 AG air polluting plants in Huntington Beach 5 and Carlsbad. These plants were retired for good reason. Without reliable power that San 6 7 Onofre brings to Southern California, businesses cannot be assured of their needs 9 being met, jobs will not be created, workers 10 will not find employment, and the region will 11 continue to suffer in a recession that need 12 not be.

Southern California Edison has served the electrical needs of this area quite well. Personally, I would bet on their performance record to safely bring Unit 2 reactor back online in a controlled fashion that Edison has proposed. The longer SONGS remains off-line, the longer the recession will brutalize California businesses and residents.

Please do what you have to do to work with Edison to bring Unit 2 back online in a safe and controlled manner.

ALJ DARLING: Thank you.

Mayor of City of South El Monte,
Mr. Louis Aguinaga. I'm sorry, did I miss
you? Doctor?

1 MS. DITTY: Marilyn Ditty. 2 ALJ DARLING: I'm sorry, my mistake. 3 STATEMENT OF MS. DITTY 4 MS. DITTY: Thank you. 5 Judge Darling and Commissioner 6 Florio, I'm Dr. Marilyn Ditty. I'm the CEO 7 of Age Well Senior Services. We provide all 8 the county support services for 14 cities 9 from Costa Mesa actually down to San 10 Clemente. 11 This is my 35th year. I have been 12 down to the plant many, many times. 13 we've worked with Southern California Edison 14 to come up with what they considered a 15 reasonable evacuation plan in case of an 16 emergency, because we know where all the 17 homebound seniors are. We do all the Meals 18 on Wheels in-home support services. 19 We actually never have had to 20 exercise that evacuation plan. Everything 21 has continued in a very safe manner. 22 only time we ever had to do any evacuations 23 was in Laguna Beach when they had the fires 24 in 1993, but nobody died. We were able to 2.5 get them out. 26 The biggest concern when you have

any kind of emergency is what are these

people going to do that are on oxygen?

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1 are these people going to do that are 2 dependent on all these medical devices? 3 have the largest number of the oldest old in Southern California region. People started 4 5 retiring here post-World War II, about 1952. And we have the oldest of old. We have over 6 7 3,000 seniors right now that are over 80 8 years old in this county. 9 So I'm concerned about safe energy. 10 And I have a personal concern, because I 11 actually have severe respiratory problems. 12 And I belong to a large group out of the two 13 hospitals in our area that actually help 14 people with clean air. We have to have the 15 air cleaned in our office, in our homes, with 16 electrical devices, otherwise you can't 17 breathe. 18 So I'm concerned. I mean the 19 carbon, when I first moved to, you know, 20 Orange County, it was terrible air quality. 21 And I had been all over the world. I've been 22 to these small countries. I've been to Japan 23 and China. All of them have terrible air 24 quality, and they don't have the Nuclear 2.5 Regulatory Commission or the Public Utilities

I hope we can get Unit 2 back

the job that you do, and I praise you.

Commission as oversight. So I thank you for

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1 online. Thank you. 2 ALJ DARLING: Thank you. 3 Dr. Ditty, I want to personally 4 thank you for the work you do with seniors. 5 My father is an 87-your-old resident of 6 Orange County. He is in your scope. 7 appreciate the work you do. One more speaker, and then we will 8 9 take a break for our reporter. That would be Mr. Louie Aguinaga, Mayor of South El Monte 10 11 who signed in? There you are. Please tell 12 me if I blew your name. 13 MR. AGUINANA: No, you said it right. 14 ALJ DARLING: Good. 15 STATEMENT OF MR. AGUINAGA 16 MR. AGUINANA: Good evening commissioners, Commissioner Florio and 17 18 Commissioner Darling, right? 19 ALJ DARLING: I'm Judge Darling. 20 MR. AGUINANA: Oh, Judge Darling. 21 I understand the interest in safety 22 that relates to nuclear power, to the power 23 plants. My only comment about the clean air 24 is, you know, I'm in favor of wind, solar 2.5 and, at best, intermittent sources of 26 electricity. But they are intermittent. 2.7 When the wind doesn't blow, no

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electricity. When there is no sun, there is

| 1  | no electricity. So we need stable 24/7        |
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| 2  | electricity. And we know nuclear power is     |
| 3  | safe. It has been proven in the past. So      |
| 4  | the only comment that was my only comment.    |
| 5  | If San Onofre has always been has             |
| 6  | always been has been operating clean, has     |
| 7  | been working safely, you know, and just based |
| 8  | on excuse me.                                 |
| 9  | Let's be honest, it would be                  |
| 10 | replaced with natural gas, little             |
| 11 | old-fashioned carbon-based fossil fuels.      |
| 12 | That would mean more green gas emissions, and |
| 13 | that would raise questions about global       |
| 14 | warming as well as the health. Increasing of  |
| 15 | use of fossil fuels just seems to me like     |
| 16 | instead of going forward we are going         |
| 17 | backwards.                                    |
| 18 | You guys are doing a fantastic job.           |
| 19 | Let's just get this thing back online and     |
| 20 | have some clean energy.                       |
| 21 | Thank you.                                    |
| 22 | ALJ DARLING: Thank you very much.             |
| 23 | We will go off the record until               |
| 24 | 7:40. Thank you.                              |
| 25 | (Recess taken)                                |
| 26 | ALJ DARLING: I'd like to announce the         |
| 27 | next five speakers and ask them to come       |
| 28 | forward, Caroline Cavecche, Marty Peterson,   |

Christina Imhoof, Jennifer Massey, and Thomas English.

## STATEMENT OF MS. CAVECCHE

MS. CAVECCHE: You are one of the few people who have ever pronounced my name correctly.

ALJ DARLING: I try.

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MS. CAVECCHE: Judge and Commissioner, it is a pleasure to be here. Thank you very much, for putting in the amount of effort and time you have today.

My name is Carolyn Cavecche. I'm the former mayor of the City of Orange. I served 12 years on the city council, the last six as the directly elected mayor. The city of Orange is north of here, a little bit north of Santa Ana.

And before I go into my prepared statement I just wanted to let you know over the 12 years that I served, Edison has done a phenomenal job of coming in and keeping us briefed on what is happening down at SONGS and just issues within the grid and issues with the company completely.

So we've heard about the drills. We know what is going on. In fact, their rep attends most of our city council meetings.

When she is not there, we get a little

worried about her. She especially -- with what happened this last summer, she was there making announcements about what needed to be done for conservation in our community. I wanted to let you know that.

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I left office in December. I'm currently the CEO -- I'm loving it, by the way -- I'm currently the President and CEO of the Orange County Taxpayers Association. It is the only countywide taxpayer group that advocates on behalf of businesses and taxpayers on tax issues, governmental services issues.

We are actually very concerned. As a former public official -- I now represent a lot of businesses in the county. The state of California, like the entire country, is really digging itself out finally after a very hard fiscal crisis. The worst really since The Depression.

I'm read Orange County seems to be leading the way on this. Our unemployment level is down, I think rank number two for jobs and businesses in the state of California. We are really trying to do best.

I'm practically a native to Orange

County. Moved here when I was five years old. I grew up, it has been -- I forget how

long it was, but it has been how long time since I was five years old. I remember not being able to go play on the playground because of the smog alerts back in Southern California at that time, especially in Orange County. We've really done a wonderful job in this state over the years in being able to finally provide clean energy, to try to put some different rules in place.

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But my fear is that the state has become very restrictive. It has become very restrictive. It is a very poor regulatory climate in our country, especially the state of California. And the problem is going to be that, as much as you would all like to have multiple sources of clean alternative energy, it truly is not going to happen for a while here in California.

One of the other speakers talked a little about it, following some of the issues as far as putting in transmission lines, there are communities all over our county that do not want that to take place here. It is going to be a problem for us.

Our businesses truly cannot survive. We did great last summer, but I'm very concerned about going forward if this plant remains off-line completely. I do not think

we are going to have the capability of

producing energy to keep the economy moving

in California. I'm specifically worried

about what is going to happen in Orange

County. We are not going to get smaller. We

are going to continue to grow. I believe

Orange County is leading the way.

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My specific request is do your due diligence. Thank you for your efforts.

Let's try to keep the state growing, but especially for me, keep the businesses in Orange County booming. We need energy to do that.

ALJ DARLING: Marty Peterson.

# STATEMENT OF MR. PETERSON

MR. PETERSON: Thank you for giving me this opportunity to speak today.

My name is Marty Peterson. I'm the Vice President of Operations with the Santa Ana Chamber of Commerce. We represent 475 member businesses in and around Santa Ana.

Santa Ana is home to many manufacturers, many hundreds of them. And a consistent source of affordable power is very important to them, and consistent power, you know, it has a bad effect many times on their machinery and systems when there is peaks and outages and things like that, as well as down

1 times when things do go down. 2 Between I and the chamber president 3 we've attended three of the public NRC meetings and listened to both sides very 5 carefully. And we feel that Southern California Edison and the NRC are doing a 6 7 really good job of getting to the route causes of what is going on. And with the --9 it seems prudent that they shut down the one 10 reactor, and it seems like they have a good 11 basis to start the other reactor. 12 Also, we are concerned with the --13 not only the consistent source of power, but 14 there is a couple of thousand jobs in the 15 area that are at stake at that plant too. 16 Not only the jobs there but the goods and 17 services that are fed by local companies also 18 are very important. 19 So I just wanted to say that we 20 would be in favor of them being able to start up that reactor at the lower levels that they 21 22 are talking about. 23 Thank you very much. 24 ALJ DARLING: Thank you. Christina 2.5 Tmhoof. 26 STATEMENT OF MS. IMHOOF

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MS. IMHOOF: Hello. I'm Christina

Imhoof from San Diego. I'm a ratepayer.

1 Your Honor, Commissioner --2 UNIDENTIFIED SPEAKER: Speak into the 3 microphone, please. 4 MS. IMHOOF: Sorry, can you hear me 5 now? Sorry. 6 So I'm a ratepayer from San Diego. 7 I've heard you say several times, 8 Commissioner, that -- you are trying to warn 9 us of not having enough electricity in the 10 summer and the heat. I'll take that heat any 11 time as opposed to living -- what the lady from Japan testified to, I don't want my 12 13 17-year-old daughter or myself to die of 14 radiation prematurely. It is as simple as 15 that. I don't think there is much debate on 16 that issue. 17 I notice, as I understand it, you 18 are responsible for making sure our money is 19 spent wisely. So I'm wondering why we are 20 paying? We've been paying for a year for 21 this being off-line, this SONGS being 22 off-line because of the problems. 23 I just have not -- I've not heard 24 anything that addresses that question. 2.5 angry, and I'm really proposing that the 26 ratepayers take out that percentage of their 27 bill that go to Edison's operations, or

whatever they are doing with our money.

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you know what they are doing with our money?

Do you keep tabs on, you know, what our funds

are actually being used for?

ALJ DARLING: Yes, and we are in the process --

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MS. IMHOOF: We would like to know if you can publicize that. I think it should be a transparent process.

ALJ DARLING: I would direct your attention to Edison's website. They are required by our order to post all of their filings related to this on their website, not just for parties of the proceeding, but to absolutely everyone in the public.

One of the things that they are required to do is to put in monthly reports about where the expenditures are. And they have filed their first report dated February 1st. I urge you to take a look at that. That will tell you where the expenditures are both for operating capital, outage related.

That is the focus of our evidentiary hearings coming up where we are going to be examining those costs to see if they were reasonable or not, given the outage.

MS. IMHOOF: So after the fact there is an oversight on your part but not beforehand, not really supervising.

ALJ DARLING: What happens is we have to have a record. That is what this -- we have a judicial process in which a record is established. The first step says what they spend. The second step is 26 parties intervene and come in and say that is not right, that is not right.

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Then the Commission makes a decision. We are moving pretty quickly on that. There is a couple of legal issues that are being fleshed out as to timing, because the statute has some ambiguity in it about the refund timing. But this is -- so this is absolutely front and center in front of the Commission and in front of this proceeding right now.

The difficulty is some have an interest in just the Commission just acting arbitrarily and saying let's take X amount of dollars out of rate base. That is something that is -- what would happen is Edison would go to court, charge us for all the fees, and we would lose. Because we have to have a record. We can't just pick a number out of thin air.

MS. IMHOOF: That doesn't answer the question of why we've been paying for nothing for a year, right?

COMMISSIONER FLORIO: Our order made 1 2 all of that subject to refunds. So if the 3 determination ends up being that that money 4 should not have been charged, people will get 5 it back. MS. IMHOOF: Good news. 6 Thank you. Wе will stay on top of this as ratepayers. We 7 8 look forward to hearing from you on your 9 oversight responsibilities. 10 Today's hearing, I understand, is to 11 find out whether you should remove the value 12 of any portion of SONGS facility from the 13 rate base. And I agree with the taxpayer 14 representative, it is a no brainer, of course 15 you should. 16 Secondly, whether CPUC should 17 disallow rate recovery of any expenses 18 related to the operation of SONGS. I think 19 that means rate recovery by us or by Edison? I don't know. 20 21 COMMISSIONER FLORIO: By Edison from 22 customers. 23 MS. IMHOOF: No way, no way, no way. 24 Also a no brainer. 2.5 So why, you know, I mean these are 26 things that -- this is your job. So I would 27 hope that you would determine this based on

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logic.

1 The third thing, whether you should 2 make any findings directing SCE to take 3 specific actions. Yes, refund the hundreds 4 of millions of dollars already paid through electricity bills for the defective steam 5 generators. Refund the hundreds of millions 6 of dollars already paid through electricity 7 8 bills for all the inspections, regulatory 9 costs, replacement power that Edison's 10 defective steam generator design has cost us. 11 I'd like to see more transparency 12 and more concern. You see, in an ordinary 13 business sense a businessowner makes a 14 massive mistake, and he starts charging his 15 customers to make up for the money he lost. 16 We are the customers. We can walk from a 17 business like that. Can we walk from Edison? 18 No, they are a monopoly. So who is between them and us? You. So do your jobs. 19 Thanks. 20 21 ALJ DARLING: Jennifer Massey. 22 STATEMENT OF MS. MASSEY 23 MS. MASSEY: Thank you very, very much 24 for your time, your thoughtfulness and 2.5 consideration. We very much appreciate it. 26 We hope that you will not only

consider ratepayer costs but the safety

issue. We are constantly reassured by Edison

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1 that safety is their number one concern. Wе 2 contend San Onofre safely, but it cannot 3 protect us from earthquakes, tsunamis, fire, terrorist attacks, human error, et cetera. Additionally, evacuations in the event of a 5 disaster is impossible, just impossible. 6 7 They say that they've given the 8 school districts and everything else 9 instructions, and whatever else they called 10 it, and so far and so on, about what to do. 11 There is nothing they could do. It is 12 absolutely hopeless. 13

So the safety issue really seems to be more about Edison's profit to me. That is the safety they are most worried about. That is what it seems to me.

What are the chamber of commerce and some city councilmembers who spoke earlier thinking when they asked you to let Edison restart the defective plant with a worst, worst record of all 104 nuclear plants in America? They spoke about how their cities, businesses need reliable energy. Don't they take into consideration what would happen to those businesses if there should be a meltdown of San Onofre?

(Applause)

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MS. MASSEY: They not only would be

allowed to return to their businesses, they
would have no insurance. So they would
have -- so they would lose all the equities
in those businesses and those homes. So they
are really looking at very short term. I'm
staggered, shocked, appalled at the -- I
don't know what call it.

UNIDENTIFIED SPEAKER: Ignorance.

MS. MASSEY: Narrow minded. I don't think they are ignorant. I think they are protecting -- they are not protecting us.

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ALJ DARLING: Could I ask the audience to refrain so that this lovely lady can continue her comments, and we can hear them and get them on the transcript. Thank you.

MS. MASSEY: Finally, the lady who was just before, she was exceptionally articulate. She basically took away my final short little paragraph here. I'll just repeat, because I don't know what else to say.

Why has Edison been allowed to bill us for over a year for power we haven't received? What kind of governance is this? It is not demographic. It doesn't seem fair or reasonable. I would like to ask you to direct Edison to refund all the charges to ratepayers for the past year, and for the

close to \$1 billion dollars for the faulty
generators.

And I do appreciate your comments in

response to her. I'll take that into consideration. I appreciate very much what is going to, I believe -- I believe in my heart, my instincts -- my husband doesn't believe in that, but a lot of people do -- my instincts tell me you are going to do the right thing. I appreciate that in advance.

11 Thank you very much.

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12 ALJ DARLING: Next speaker, Mr. Thomas
13 English.

And then the five speakers following please come forward, Jeremy Harris, Myla Reson, Frank Forbaath, Valentin Poiset, and Melissa Levine. Thank you.

Mr. English.

## STATEMENT OF MR. ENGLISH

MR. MASSEY: Yes, hi. My name is Tom English. I'm from Hollywood. I'm here because everyone in Los Angeles is down wind of San Onofre too, no matter how much they want to be in denial.

Mr. Kramer mentioned that, you know, he was talking about all the precautions, nothing goes without risk, nothing comes without risk. Solar power comes without risk

and wind comes without risk. And the whole thing that there is no need for all of this except a few people make profit is just the most outrageous, insane thing imaginable.

So I have something to say. It is very brief. It is two and a half minutes long. And it has to do -- I would like to just basically ask this question: In honor of my wonderful business friends who are so concerned about their businesses, what would they do if the thing blows the next day?

(Singing):

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What part of Fukushima do you not understand? When nuclear contamination hits the fan. Plutonium is everywhere, it is in the sea, it is in the air, and we don't even have any evacuation plan.

What part of Fukushima do you not understand? What part of Fukushima did you somehow miss? When surely shooting every time with things like this. Destruction rages like a flame, officials play and spin the blame, and all of us are bracing, racing facing the abyss.

What part of Fukushima did you somehow miss? Human kind is human kind and we all make mistakes. Hard sometimes to not be blind and fall for fakes. But even now,

1 before our eyes, it is in the sea, it is the 2 skies. You know we can prioritize, air, 3 water, come on guys. 4 What part of Fukushima do you need 5 clarified? What happens when the plate tectonics slip and slide? And when it blows, 6 7 what happens then? It isn't if, you know it's when. And we are going to be petrified, 9 we are going to run, we are going to hide. What part of Fukushima do you not 10 11 understand? How then can even FEMA ever lend 12 a hand. The time to make the break is now, 13 to wind and wave and solar power. If we are 14 going to live, nuclear power must be banned. 15 Wrap your mind around Fukushima. It 16 is no time to be a dreama. It is no time to 17 be a schemer. 18 Google Fukushima, take a stand. 19 ALJ DARLING: Thank you, Mr. English, 20 for the most creative presentation today. 21 COMMISSIONER FLORIO: When you said you 22 were from Hollywood I should have seen that 23 coming. 24 (Laughter) 2.5 MR. MASSEY: You saw it coming. 26 ALJ DARLING: Mr. Harris. 27 STATEMENT OF MR. HARRIS

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MR. HARRIS: It is my pleasure to

1 | follow that act.

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ALJ DARLING: Do you dance?

(Laughter)

MR. HARRIS: Good evening, Commissioner Florio and Judge Darling. Thank you again for your service and being here tonight to allow us to be in front of you.

My name is Jeremy Harris. I'm the President and CEO of Garden Grove Chamber of Commerce. We are a 325 member strong,
Central Orange County here. Here tonight to speak to you regarding San Onofre, of course, and Edison's plan to restart SONGS, and the impact it has on our community and our businesses.

As you are all aware, nuclear energy continues to be offered at nearly unlimited production, low-cost electricity to a lot of the businesses throughout our good community. We believe that Southern California Edison provides reliable energy service and has always been on the forefront of new technologies, has also been there for businesses in order to help businesses save on costs. For example, the chambers are on record supporting Edison's smart metering program, its utility's energy efficient programs, enhanced electrician -- electric

transportation systems and established smart grids.

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This is just another example how we believe in Garden Grove Edison is staying ahead of the curve in allowing the utility to remain competitive while offering its customers with more accurate and timely usage information, again once for their members and their customers.

Furthermore, I believe SONGS is a critical part of the overall electricity network and -- that many of us depend on, including us in Garden Grove. Now Edison is currently in the steps of instituting safe, reliable affordable electricity by outlining their plan to restart SONGS.

We in Garden Grove understand the necessary precautions used to take when dealing with nuclear energy as well. We also understand the regional impact that SONGS can have on the greater regional economy due to many businesses watching and counting every dollar and penny they earn, especially when it comes to their bills.

Our chamber is the leader when comes to business in our community. We also know that in order to lead we need to ensure that not only the business community is protected,

but residences and communities that are 1 2 surrounding Garden Grove help enhance us to 3 do business. We urge the Commission to consider Edison's plan for SONGS with the 5 mindset of success for all, and with the understanding that this is a serious issue 6 with critical impacts for many stakeholders, 7 including business. 9 We take considerable pride in making 10 sure businesses are protected from 11 unreasonable rate increases. We know there 12 is also a cost of doing business as well. 13 Edison can be commended for paving 14 the way for more efficient, sustainable 15 consumer-friendly market throughout our 16 region. And it is a testament to what 17 they've done in Garden Grove. We hope this 18 will continue, and you will take this into 19 consideration with your decision. 20 Thanks for your time tonight. 21 ALJ DARLING: Thank you. 22 Next speaker is Myla Reson. 23 STATEMENT OF MS. RESON 24 MS. RESON: Good evening. 2.5 You know, I've got to say I've been 26 sitting here since this afternoon. And I get 2.7 this feeling that I'm in this sort of

modern-day surreal enactment of that old

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children's story *The King's New Clothes*.

Where everybody knew that the king was butt

3 naked, and yet it took a child to say, "What

4 | clothes?" Here we could call the story

5 | nuclear power is safe instead of *The King's* 

6 New Clothes. Because we all know that the

7 term "safe nuclear energy" is a total

8 oxymoron.

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It is safe we hear from chamber of commerce representative after chamber of commerce representative. It is safe we hear from Pete Dietrich. It is safe we hear from various officials. It is safe until it is not safe. It is safe until it is not.

We are almost two years past
Fukushima. The NRC was supposed to or is in
the process of looking at lessons learned
from Fukushima. They gave their first report
back recently within the last couple of
weeks, and they say they have not yet gotten
to addressing beyond design events. "Beyond
design events" are events like earthquakes
greater than the plants are designed to
withstand.

There -- San Onofre sits on, what, three earthquake faults, in a tsunami zone. One of the most irresponsible things done in this state and in this country was to allow

1 Diablo Canyon and San Onofre to start 2 generating high-level, radioactive waste on fault lines in Southern California and Diablo 3 4 Canyon. 5 We've got decades and decades of high-level waste crammed into overcrowded 6 7 cooling ponds that require constant cooling 8 to prevent meltdown. What happens if we get 9 that great shaking quake? What happens when 10 we get that tsunami? We cannot allow Edison 11 to generate anymore waste. Pete Dietrich talked about everybody 12 13 is prepared for these emergencies, as other 14 people have said. But we are not prepared 15 for an 8.0 at San Onofre and a core meltdown. 16 We are not prepared for that. There is no 17 evacuation plan. It is utterly 18 irresponsible, criminally irresponsible, to 19 go forward. Thank you. 20 ALJ DARLING: Thank you. 21 Next speaker, Frank Forbaath. 22 STATEMENT OF MR. FORBAATH 23 MR. FORBAATH: Appreciate you all being 24 here. 2.5 I'm Frank Forbaath. I've lived my 26 full life, with the couple of exceptions, in 27 California rather, LA and Orange County.

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With time in the Navy, World War II, naval

1 officer, and a few other things, et cetera. 2 But anyway, I'm trying to say I'm a little 3 bit older than some here, and I may stutter 4 along the way. 5 But I have several thoughts here, 6 but everybody has covered most of those so 7 well. Let me start, let me essentially say 8 that I was surprised how -- that you had a 9 fairly good audience out here with lots of 10 people from various areas. But I found out 11 about this through TURN, the utility reform 12 The LA Times, they sent it to me in a group. 13 The LA Times talked about the utility, 14 public utility -- I'm sorry, the federal, the 15 federal... The NRC? 16 ALJ DARLING: 17 MS. FORBAATH: NRC was speaking, but 18 that is the only message I got except through 19 TURN, which surprised me. It may have been 20 the Pilot. We read almost all of that, but the LA Times didn't see to cover it. 21 22 cover -- but anyway. The LA -- I'm sorry. 23 ALJ DARLING: Let me ask you, 24 Mr. Forbaath: You are an Edison customer? 2.5 MR. FORBAATH: I am. 26 ALJ DARLING: You did get a notice in 27 your bill. Did you see that?

MR. FORBAATH: I did not.

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1 ALJ DARLING: I take your point that a lot of people don't see the bill insert. 2 did want to make sure, or at least determine 3 4 whether you are an Edison customer. Thank 5 you. 6 MR. FORBAATH: Let me ask you: What 7 was the statement in there? I don't care 8 about the exact wording. Was it a big notice 9 come to the meeting or was it a little notice 10 somewhere? How was it presented? 11 ALJ DARLING: Is it half page, 12 Mr. Worden? 13 MR. WORDEN: It is a folded page. 14 is a stand-alone piece of paper inside the 15 bill. ALJ DARLING: Our Public Advisor's 16 17 Office approves the language and the format 18 and the font type. It was our direction that 19 Edison put that bill notice to every single 20 customer, not just those in the immediate 21 area. But I take your point that not 22 everyone, in fact a lot of people don't see 23 those notices. 24 MR. FORBAATH: Related to that, we have

sons, one of our several sons, kids, lives in
San Clemente within less than a mile from
that. He was surprised. He works there in
Costa Mesa. He is a lawyer. He didn't know

about it. So I'm glad it came about the two sets of meetings.

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So that is answered much in my problem. But I would just like to point out that you obviously got mayors' attention, because there were a number of mayors here. But I called, not knowing who was going to be there, even the scope of this. But anyway, the city clerk's office, they checked with several secretaries of the various departments. They said there was nobody on record, nobody, had no record of any in the city council, et cetera. Mr. Messenger was here, so he obviously heard about it. But none of the secretaries knew about it. That was one of my concerns.

And secondly, I'm interested in -was interested in the scope of this, because
the comment I got, I'm not sure how much that
was said by Edison, but I had no idea. And I
checked with a couple of other people here,
City of Costa Mesa people, primarily my son.
I would like to point out that that needs to
be highlighted so the people know not only
when but what is the scope, what is the
purpose of it? I'll get a partial answer,
thanks to you, but the purpose ought to be
clearly stated.

1 If I could urge you to do that in the future. Because -- anyway, I'm now 2 3 repeating myself of my knowledge. Maybe the 4 announcement in the Edison was specific about the scope. But I can see that that might be 5 6 missing based on -- I'm just being skeptical, 7 but I will not accuse them. Anyway, I don't 8 understand the scope, because I have 9 information I was going to discuss about some 10 of the technical aspects of this. I'm a bit 11 of a technocrat, background with a few 12 degrees, et cetera. I'm just concerned about 13 some areas which I won't touch about, because 14 the scope didn't allow me to decide whether I 15 should come.

But I think that is all I should say. Please answer.

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ALJ DARLING: Yes. A couple of things, Mr. Forbaath.

One, I appreciate you letting us know about the fact that this information came late to you and was hard to find. We have been working a lot on trying to expand our notice to the public. We undertook an outreach to local governments. We undertook an outreach to community groups and to the local press, both print and broadcast, to try to get coverage of this. I have seen some

1 articles in the paper. 2 My experience --3 MR. FORBAATH: In local papers that 4 cover Orange County? 5 ALJ DARLING: Yes. 6 MR. FORBAATH: The Register may have 7 covered that. 8 ALJ DARLING: The Register did do 9 something. 10 But it has been my experience at 11 public participation hearings that most 12 people hear about it from an organization or 13 from the newspaper or some media form rather 14 than their notice. And I think that we are 15 trying to work on that and make sure that we 16 dovetail with the notices. The notices that 17 go into the bill, the bill inserts, is the 18 only way we know for sure that everyone has 19 an opportunity to have the notice because it 20 goes to everyone. 21 Recognizing that that has its 22 limitations, and your remarks only amplify 23 that, that we do need to do more about using 24 the press and the media and community groups 2.5 to get the word out. I appreciate your 26 comments about that. 27 Second, you said you had some

additional comments. I would like to

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1 encourage you to speak with the Public 2 Advisor outside. They will take written 3 comments. They will tell you how to submit those by e-mail or letter so it gets to us 5 and the commissioners, other than Commissioner Florio. We would love to hear 6 7 what you have to say. 8 So if you want to take your time and put something in writing to us, we are happy 9 to read it. 10 11 MR. FORBAATH: I have nothing magic to 12 Some people who are obviously better qualified in technical areas, but I will let 13 14 it go at that time. 15 Just one last response to you, what 16 you just said. I did hear it was 6 o'clock. 17 I was late. I heard it on the 6 o'clock news 18 that there was this meeting here. Now, this 19 is -- this was -- we were out this morning. 20 I heard the news several times today, but I never heard that. And 6 o'clock tonight 21 22 about a meeting tonight when you also had one 23 in the afternoon, it may have been on the 24 news this afternoon because there is a lot of 2.5 repetition, but I heard it on PBS radio, on 26 That was pretty late to be heard. the air.

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So I would throw it out, maybe you

need to do a more complete job. Let me let

it go at that.

ALJ DARLING: We have a bit of a hard

time interesting media ahead of time.

But I absolutely agree with you that

more could be done to get the information

out. I'm very appreciative, we are both very

appreciative that you came today to provide

out. I'm very appreciative, we are both very appreciative that you came today to provide the comments that you have. I encourage you to consider getting into our subscription service. You get further announcements about proceedings.

MR. FORBAATH: What is that?

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ALJ DARLING: You can talk to the Public Advisor. They are up here at the table. They will let you know how you can sign up to get notices about what is going on in this proceeding.

MR. FORBAATH: It would be nice if they had a form here.

ALJ DARLING: They do.

21 MR. FORBAATH: In the way -- form for 22 that?

ALJ DARLING: Yes.

MR. FORBAATH: It would have been nice if you had been explicit on what exactly what you had, what the scope of this meeting was going to be. I realize you gave me a partial answer to that. I don't want to push that

further. I think that is very important,
because we all various skills and various
time limits.

ALJ DARLING: Thank you very much for
coming on short notice. We appreciate your

MR. FORBAATH: Thank you.

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time.

COMMISSIONER FLORIO: I would just say to everyone here, I mean we struggle as a state agency to figure out the best way to get information out to the public. anybody that has good ideas about how we can do better, the lovely lady in red over here, Karen Miller, you can call her, e-mail her, talk to her this evening. If you think of something tomorrow, you know, send us an e-mail and note, because it is something that we continue to try to work on to do better. And it is just tough in a state with over 30 million people to try to make sure everybody knows what is going on. Our process is inevitably better as we get input from the public.

Thank you all very much.

ALJ DARLING: The next speaker, Valentin Poiset. Tell me that was close.

#### STATEMENT OF MR. POISET

MR. POISET: That was close.

I want to begin by thanking the California Public Utilities Commission for holding this hearing and for seeking public input on the San Onofre investigation.

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My question relates to the hearing held last month sponsored by the Nuclear Regulatory Commission, which was attended by SDG&E, Edison, and presumably by a representative of the CPUC.

At the hearing I specifically asked the panel from the NRC if the information they obtained regarding the San Onofre Nuclear Generating Station, commonly referred to as SONGS, was disseminated equally among the stakeholders as defined in public citizen's guide. Stakeholders are defined as the public, the media, the Congress, NRC licensees, such as SDG&E as well as Edison, other federal agencies and departments, also federal, state, tribal, and local organizations, as well as the international community.

In the light of this comprehensive list, I believe it is safe to presume that the CPUC is considered an important stakeholder the NRC would recognize as instrumental in maintaining effective relations and communications.

1 Senator Boxer has stated in an open 2 published letter that the operators of SONGS 3 knew that the steam generators were flawed 4 before they installed -- before they were installed in the plant. Specifically, 5 Senator Boxer refers to the document --6 7 refers in the document to the manufacturers 8 of the generators, Mitsubishi Heavy 9 Industries. According to Senator Boxer, the 10 document shows that Southern California 11 Edison, the operative and majority owner of 12 the plant. And Mitsubishi wrote, quote, 13 serious problems with the design of the steam 14 generators before they were installed almost 15 four years ago in 2009 and 2010. 16 My question is two-fold. First of 17 all, in light of this report and the 18 disclosure by our esteemed senators was, and if so, when was California Public Utilities 19 20 Commission informed there were, quote, 21 serious problems? If the CPUC was informed, 22 why did they not disclose this information to 23 the public as required in California Public 24 Utilities Commission Code? 2.5 As well, if they were, excuse the 26 pun, kept the dark, why would CPUC even 27 consider the ratepayers responsible for 28 something that SDG&E knew were flawed before

1 they installed the steam generators and kept 2 hidden from the public for four years? 3 Thank you. ALJ DARLING: Two things in response to 4 5 your comments. One, I want to assure you that the California Public Utilities 6 Commission is very closely monitoring all of 7 the action at the Nuclear Regulatory 9 Commission regarding SONGS, both the Energy 10 Division, the director is here today, as well 11 as our Safety and Enforcement Division is on 12 the lookout for anything that would fall 13 within their purview. So there is very close 14 monitoring and cooperation in terms of 15 getting information. 16 Now, with respect to that particular 17 report by Mitsubishi, the vendor of the 18 generators, that is something that this 19 Commission has been asking for. I think 20 parties in the proceeding have been asking 21 for it. 22 So the last, as I understand, 23 perhaps Mr. Randolph can correct me if you've 24 got more updated information, my 2.5 understanding is that there has been a 26 representation to the Energy Division that 2.7 the report would be released soon in it is

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partially redacted form because there is some

proprietary information, they claim. 1 don't know what is there. We don't know what 2 3 would be redacted. We want it so we can look at it, and then we might wind up complaining 5 about what has been redacted. We don't know what is in it. We haven't seen it yet. 6 7 We've contacted everyone from 8 Senator Boxer's office forward to try to get 9 that report. We understand the process is under way to get it released. 10 11 Mr. Randolph, do you have anything 12 more recent about that? 13 MR. RANDOLPH: No. We still haven't 14 received the letter. We are trying to get 15 the letter. 16 ALJ DARLING: So when we get it, we 17 will make sure that we can make it as public 18 as possible and certainly will refer it to 19 both our Energy Division and our Safety and Enforcement Division. 20

MR. POISET: So as of now you guys have no idea what is in the letter, redacted or not?

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ALJ DARLING: We have not seen the Mitsubishi report. We have only seen a press report of the statement and letter from Senator Boxer to the NRC.

As I said, we immediately contacted

Senator Boxer's office, and they were not able to provide the report to us. So we went straight to the NRC. We have a variety of avenues being pursued to get that report. We have representation from NRC that they will be releasing it to us and to the public.

MR. POISET: Thank you.

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ALJ DARLING: All right. Melissa Levine.

## STATEMENT OF MS. LEVINE

MS. LEVINE: I'm a native Californian also. And -- but I'm a bit of a beginner's mind with this, because my specialty, or what I have a website on is stopsmartmetersirvine.com.

Right now I'm paying an opt-out fee for carcinogenic smart meter from being on my house. And I think that what the DRA -- I'm also finding out that I'm paying in my bill for San Onofre, which is off-line. And I think that -- I agree with the DRA that they should definitely do refunds. I'm glad you are investigating that.

I think I was about 10 years old when they built San Onofre. I just remember sitting in my fourth grade classroom and looking at a picture that they had in the book telling us about the miracle of nuclear

1 power, that this is going to be so wonderful. 2 I remember that. This is the time of the 3 Vietnam War. 4 But -- and as I said, this is not my 5 expertise, but that my gut is we've got a 6 nuclear power plant that cannot withstand an 7 earthquake more than 7. And we have what happened in Japan, and I'm very concerned. 9 And then the letter from Barbara Boxer saying 10 that Edison knew that these steam generators 11 were defective. 12 So I do not support San Onofre being 13 restarted. I support that it be shut down 14 permanently. So that --15 (Applause) 16 MS. LEVINE: All the representatives 17 from the -- I was really surprised by all the 18 suits from the city councils who are -- I 19 also am in support of business. I'm in 20 support of the businesses being able to 21 survive here. 22 And also I have a lovely home in 23 Irvine, and I want to stay in Irvine. 24 don't want my children or everybody to have 2.5 to leave. This is such a beautiful place. 26 And so anyway and also -- yeah, that 2.7 is it. Thank you.

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ALJ DARLING: The next speak is Matthew

Poiset, John Black, Bob Simpson, Jerry
Collamer. Come forward, please.

# STATEMENT OF MR. POISET

MR. POISET: How are you?

ALJ DARLING: Fine.

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MR. POISET: I've prepared some remarks here. I wanted to start by saying my family has been ratepayers here in San Diego since 1947 where my dad first moved out to -- after World War II. I've been born and raised in San Diego.

I would like to say that, maybe to the chagrin to some of the people here in the audience, that as a child I drove past San Onofre thousands of times. And I look upon it still to this day just driving up here from San Diego that -- in amazement. I think it is a remarkable sign of our ingenuity and our technological prowess. It makes me personally proud to be an American to see such an amazing facility.

It was sort of poetic. I was driving up and -- just as the sun was setting over the plant. And I was amazed to hear for the first time just a couple of months ago that approximately a year ago radioactive steam was released from San Onofre.

And as I'm sure you are well aware

of, approximately one week ago the Chairman of the United States Senate Committee on Environmental Public Works and California's own U.S. esteemed representative issued an open letter to the chairman of the Regulatory Commission directing the NRC to initiate an investigation concerning a report issued by Mitsubishi Heavy Industry called Route Cause Analysis Report for a tube identified in Unit 2 and Unit 3 steam generators in San Onofre Generating Station.

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According to Senator Boxer, the report was issued by Mitsubishi in 2012. The report states that California Edison licensee, which you are charged to oversee, knew there were serious problems with design of SONGS before they were installed. However, according to Senator Boxer based on the report SCE and Mitsubishi rejected enhanced safety modifications. According to this report, SCE and Mitsubishi did so for your nuclear regulatory agencies regulatory authority.

According to this report you did this to avoid more rigorous license and safety review process. By all the appearances, if a licensee rejected enhanced safety modifications because of unacceptable

1 consequences, they buried this information 2 deliberately to circumvent authority. At a 3 minimum, this undermines the public 4 confidence, and at the worst possible, to 5 have certain criminal implications. This report has not yet been released to the 6 7 public, but the NRC promised now to disclose the report, albeit in redacted form, sometime 9 in the future. The trouble, in some aspect of the 10 11 NRC, as you are well aware, held a five-hour public meeting 10 miles from here less than 12 13 three weeks ago in January under the auspices 14 of informing the public. 15 My question to the Commissioner is 16 this: When do the licensees, Edison, 17 Southern California Edison, San Diego Gas & 18 Electric, inform the Public Utilities 19 Commission that the licensees were aware of 20 serious design problems? If and when the 21 California Public Utilities Commission 22 receive copy of the report? 23 I believe you answered that earlier 24 saying you've never received the report; is 2.5 that correct. 26 ALJ DARLING: That is right. 2.7 understand, that is something that the NRC

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got from Mitsubishi.

1 MR. POISET: How long ago, do you know? ALJ DARLING: I do not know. 2 3 MR. POISET: Some time ago? 4 ALJ DARLING: I've only seen the press 5 report. 6 MR. POISET: Yeah, that is crazy. 7 ALJ DARLING: Mitsubishi didn't give it 8 to us. 9 MR. POISET: Right. Additionally, how 10 can the California Public Utilities 11 Commission adhere to their responsibilities 12 of informing the public when they are either 13 not informed or information is deliberately 14 withheld pertaining to public safety? 15 It should not be a questioned that the California Public Utilities Commission 16 17 should remove the value of any of the SONGS 18 facility from the rate base, which I believe 19 is the issue of this hearing. The question 20 should be what recommendations to the 21 Governor as well as State Attorney General of 22 fees, fines, sanctions and possible removal 23 of licenses from Edison and subsidiaries? 24 ALJ DARLING: All right. 2.5 MR. POISET: So I think what we need to 26 do here, from my opinion, is disconnect the 27 power plant in the sense it being stand-alone

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facility.

And Edison, I don't understand why 1 2 somebody that would -- if this report is 3 correct, they are thwarting your authority. 4 They are thumbing their noses at you, or the 5 Nuclear Regulatory Commission is withholding this information. And they need to be 6 removed as licensees of this -- I mean I 7 don't understand. I don't know why we are 9 actually contemplating paying them for hiding 10 this information from us. 11 I really appreciate -- I know you

I really appreciate -- I know you guys are doing yeoman's effort here. This is a lot of work. I appreciate you holding this hearing, taking the time to listen what I have to say.

Thank you very much.

ALJ DARLING: Thank you.

Mr. John Black.

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## STATEMENT OF MR. BLACK

MR. BLACK: Hi. John Black, long-time resident of Southern California right here in Orange County.

My heart goes out to the people that are involved with Fukushima. I would like to suggest we have a moment of silence for the dead and injured from the nuclear catastrophe. Not only there, but in -- people are still having ongoing problems from

Chernobyl also and Three Mile Island, those now and in the future that will be dealing with the ongoing problems from radiation exposure.

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(Moment of silence)

MR. BLACK: We've done fine without San Onofre for over a year without any power from that ticking time bomb down there in our backyard.

And I really take offense to the people that come in and read their scripts, and you can see a pattern there after a while. I wasn't here this afternoon, probably more of a pattern. I've seen that at the smart meters too. There was a different administrative law judge there in San Clemente in early December. You could see the same kind of pattern going there. I think it is very interesting.

I feel that Southern California
Edison should be held accountable for
delaying two years after it told the investor
community that the steam generator
replacement project was completed, to file
the actual costs incurred as ordered by the
CPUC.

The captive customers of the monopoly of Southern California Edison and

SDG&E should be refunded the hundreds of 1 2 millions of dollars, we've already paid 3 through our electricity bills for those 4 defective steam generators, and be let off 5 the hook for the rest of the 700 million cost of these flawed design steam generators now. 6 7 We should also be refunded the hundreds of 8 millions of dollars we have already paid 9 through our electric bill for all the 10 inspections, regulatory costs, and 11 replacement power that Edison's defective 12 design for these replacement steam generators 13 has cost us over the past year, and be let 14 off the hook in the future for that also.

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Edison must be stopped from running up the bills in the hundreds of millions of dollars to get defective San Onofre Unit No.

2 nuclear reactor ready to restart in advance of the requisite approval by the USNRC. Both of these detective nuclear reactors must be decommissioned now rather than continue as a financial burden to Edison's and SDG&E's captive customers, and to hinder California's deliberate innovations toward a renewable economy. We've already paid \$3 billion, it is my understanding, into decommissioning trust fund for this nuclear power plant through our electric bills.

We need the California Public
Utilities Commission to act promptly to
protect Californians from unreasonable rates
for and unreliable service from these
defective nuclear reactors.

Thank you.

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ALJ DARLING: Thank you.

Mr. Bob Simpson.

## STATEMENT OF MR. SIMPSON

MR. SIMPSON: Thank you, your Honor, Commissioner. I'm Bob Simpson, President of Cypress College.

I, like others who have spoken tonight, am interested in low rates, reliable and safe electricity. But I'm not an expert on nuclear reactors, electrical power generation, or rate determination. I find it necessary to rely upon the integrity and expertise of our regulators, commissioners, and SCE to appropriately address the issues and concerns related to operations at San Onofre.

What I wish to address this evening is SCE's positive and productive involvement with our local community and with Cypress College specifically. They have supported the college, and they've supported our students with personal involvement, with

professional expertise, and with financial support. I believe these actions exemplify a responsible and involved community partner.

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Throughout this process of review I believe SCE has likewise acted responsibly and demonstrated genuine concern for public safety. I believe SCE has demonstrated the ability to work cooperatively with the Commission and the nuclear -- with the Public Utilities Commission and Nuclear Regulatory Commission moving forward.

I appreciate your presence and the opportunity to speak. Thank you.

ALJ DARLING: Thank you.

Mr. Jerry Collamer.

### STATEMENT OF MR. COLLAMER

MR. COLLAMER: Good evening. Sincere thank you, guys, for being here, spending an entire day listening to all this. I wasn't here earlier, but I know a lot of people were. So I know everything has been covered 25 times to Tuesday.

I live in San Clemente. My wife and I are native Californians. We were here before SONGS, and we are here now with SONGS.

I've been to all of these conversations for the past 10 years when they used to be -- when these rooms used to be mostly empty.

The word that I would like to have removed from the dialogue if I were king and we were talking about SONGS, exclusively SONGS, is the word "reliable." I would like to take that out of the conversation, because it has not been reliable. It is turned off. It might never be turned back on. I hope it will never be turned back on.

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So what concerns me, we are talking about energy here. We are talking about electrical energy and talking about public energy. And what SONGS is doing for the minuscule amount of electricity that it produces, even when it is running, if they were running the one generator 70 percent it would produce 2-1/2 percent of its output for the danger of the 1400 tons nuclear waste sitting there on top of three earthquake faults. This is crazy. The plant must be shut down and not turned back on.

I will tell you all accolades to the SONGS people for not letting that thing blow up, because we know it is a creaky, leaky, rusty thing. And it has got bad -- they put bad mechanisms into it knowing it. So this is what it has done. It is sucking the public energy.

We can do everything else if we

could just -- and Edison can do this because
they are a brilliant company. If we can get
off this nuclear thing in California and put
all of our energy into every other kind of
energy. This SONGS thing is sucking us dry.
It is killing us. Thank you.

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ALJ DARLING: Thank you. Is there anyone here who has not previously addressed this proceeding, made statements at this public hearing that would like to at this time?

## STATEMENT OF MS. SULLIVAN

MS. SULLIVAN: I signed up to speak as an individual, not as a representative.

ALJ DARLING: You are Ms. Sullivan, right? Do you have something that doesn't repeat what you said before? You have new information?

MS. SULLIVAN: Yes.

ALJ DARLING: You did speak before.

MR. SULLIVAN: I was representing Kevin
Beiser, Vice President of the San Diego

23 Unified School District. I would like to

speak as an individual ratepayer.

ALJ DARLING: Sure, that is fine. I want to make sure that no else that hasn't had an opportunity to speak. All right. You may come up.

1 Martha Sullivan. 2 MS. SULLIVAN: Thank you. I appreciate 3 it. 4 Again, my name is Martha Sullivan. I am an SDG&E ratepayer. I'm also a small 5 businessowner in San Diego. I would like to 6 7 address a few things that I've heard 8 throughout the afternoon and evening by 9 supporters of Edison and restarting Unit 2. 10 It cannot be a coincidence that 11 Edison's rates are 50 percent higher than the 12 Sacramento Municipal Utility District which 13 has no nuclear power. It cannot be a 14 coincidence that the second highest rates of 15 California after Edison is SDG&E, which has a 16 higher ownership percentage than LADWP, which 17 is about 7 percent of nuclear power plant and 18 is still 50 percent lower rates than Edison. 19 So I want to make that really strong point. 20 Everybody keeps talking about how San Onofre 21 keeps rates low isn't doing their math. 22 Secondly, we do need to rethink 23 this. We need to move forward. I've got a 24 report here that talks about large 2.5 corporations who are installing fuel cells on 26 sites at their facilities so that they have 27 independent power on site. For example, a

400 kilowatt UTC Power cell at San Diego

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Albertson is estimated to prevent 478 metric
tons of CO2 emissions per year, while a Whole
Foods in Fairfield, Connecticut provides 90
percent of the store's power while creating
therm energy for the store heating, cooling,
and refrigeration. This will prevent the
release of more than 847 metric tons of CO2
annually.

Fuel Cells 2000 says it has identified 24 new companies using the technology since its last report in 2010.

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So there are other ways for us to generate our electricity and meet
California's 33 Percent Renewable Portfolio
Standard, as well as keep greenhouse gases
down. We don't have to rely on an antiquated
technology that students don't even want to
learn about, because they can see there is no
future in it.

Finally, I would like to cite the Commission itself which last summer reported that California is now generating 1255 megawatts of electricity from over 122,000 rooftops, which is more than generated by one of the San Onofre units when it was operating. Rooftop solar installation can be done in a matter of months, not the years the power plant construction requires.

I would also like to point out that in 2010 the California Air Resources Board estimated that 150 permanent jobs are created for each 100 megawatts of local solar. In San Diego County alone, we've only installed 2 percent of our rooftop and parking lot capacity. There is a huge growth potential here.

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So all this business about we've got to have San Onofre to meet our electricity needs is not true at all. They need to be thinking forward and not looking back.

ALJ DARLING: All right. I see a hand back there. Both of you gentlemen have spoken before. I'll give you one minute each. Our rental time is just about done, or our allotted time. You may have one additional minute since you've addressed this hearing before. If you have something additional to say that is new, that is different, you've got a minute.

### STATEMENT OF MR. EDER

MR. EDER: I gave up a minute because I thought we were going to be able to speak this evening. That is what they told us at the desk when we went there.

ALJ DARLING: Well, you are free to -I think that the Public Advisor told you at

1 the end of this session if there was time.
2 We have a little bit of extra time, so you
3 have one minute.

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MR. EDER: I also got a minute when there is 12 more?

Anyway, PG&E went bankrupt 10, 12 years ago. Southern California Edison was within hours of going bankrupt. You could have bought up the whole transmission and distribution system for \$10 billion for the whole state.

It is time that the state of California take over the transmission and distribution systems that -- Edison and PG&E just take contracts to maintain it, and they change their function in society. That the state, and PUC, the CEC, CARB, come together and make solar -- to convert to solar renewables in the state.

You can store it in batteries. In Kansas they passed a law three years ago. They are going to salt dunes, and they are storing through their windmills. They run at night and use them for peakers during the day. The technology is there. The will has to be there.

The governor is now looking at 40 or 50 percent by 2020 solar, because these

1 companies are coming to them and saying they 2 are going to leave the state and go to 3 somewhere else. They will go to Texas to do it. We need the jobs and the work here. ALJ DARLING: Can you give your name? 5 6 MR. EDER: My name is Harvey Eder. 7 with the Public Solar Power Coalition. 8 ALJ DARLING: Thank you very much. 9 This will be our last speaker. 10 could you identify yourself for the record. 11 STATEMENT OF MR. CAMPBELL 12 MR. CAMPBELL: Good evening, I'm still 13 Bruce Campbell. 14 So anyway, obviously lots of talk 15 here about green emission, nuclear power. 16 Nuclear power has the highest carbon 17 footprint of any nonfossil fuel energy 18 source. One example is that two coal plants 19 are needed to power one uranium enrichment 20 facility at Oak Ridge, Tennessee. Then there 21 is many other emissions involved with the 22 nuclear fuel cycle. 23 Also, look at potential numbers of 24 workers who can be employed by various energy 2.5 sources. 26 Also, as far as agriculture areas 27 that could be severely zapped by San Onofre

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versus the -- Escondido, Fallbrook ag area in

1 San Diego County, Imperial Valley, Coachella 2 Valley, Riverside County, those would be 3 basically finished off. Oxnard, Southern San 4 Joaquin Valley will be severely impacted, 5 Monterey Salad Bowl, and Northern San Joaquin 6 Valley, and Southern Sacramento Valley will 7 also be impacted. 8 And what has happened to 9 conservation fund money? I hear SCE had 10 maybe half a billion that sort of disappeared 11 after they ended their program. happened to that money? 12 13 And... 14 ALJ DARLING: Let's wrap it up, please. 15 MR. CAMPBELL: Once again, I'll remind 16 you apparently the PUC had a 2005 study that 17 concluded that if only one reactor was 18 operating at San Onofre that is not 19 financially viable. It sounds like the 20 conclusion has already been made, or it seems 21 like it. And... 22 And thank you? ALJ DARLING: 23 MR. CAMPBELL: And also there is 24 January 9th LA Times article that there could 2.5 be a statewide earthquake, and I'll get that 26 to your records if you haven't seen that.

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that in writing.

ALJ DARLING: You are welcome to submit

| 1  | Thank you very much for attending   |
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| 2  | tonight. We can't do our job unless we hear   |
| 3  | from the public. This has been very helpful.  |
| 4  | Please feel free to speak to the  |
| 5  | Public Advisor if you want to get involved or                                       |
| 6  | get information on this proceeding.   |
| 7  | We are now adjourned.   |
| 8  | (Whereupon, at the hour of 8:50 p.m., this Public Participation Hearing concluded.) |
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#### BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE

### STATE OF CALIFORNIA

| Order Instituting Investigation on   | ) |               |
|--------------------------------------|---|---------------|
| the Commission's Own Motion into the | ) |               |
| Rates, Operations, Practices,        | ) |               |
| Services and Facilities of Southern  | ) | Investigation |
| California Edison Company and San    | ) | 12-10-013     |
| Diego Gas and Electric Company       | ) |               |
| Associated with the San Onofre       | ) |               |
| Nuclear Generating Station Units 2   | ) |               |
| and 3.                               | ) |               |

## CERTIFICATION OF TRANSCRIPT OF PROCEEDING

I, Ana M. Gonzalez, Certified Shorthand Reporter No. 11320, in and for the State of California do hereby certify that the pages of this transcript prepared by me comprise a full, true and correct transcript of the testimony and proceedings held in the above-captioned matter on February 21, 2013.

I further certify that I have no interest in the events of the matter or the outcome of the proceeding.

EXECUTED this 21st day of February, 2013.

Ana M. Gonzalez CSR No. 11320

#### BEFORE THE PUBLIC UTILITIES COMMISSION

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| Nuclear Generating Station Units 2   | ) |               |
| and 3.                               | j |               |

## CERTIFICATION OF TRANSCRIPT OF PROCEEDING

I, Gayle Pichierri, Certified Shorthand Reporter No. 11406, in and for the State of California do hereby certify that the pages of this transcript prepared by me comprise a full, true and correct transcript of the testimony and proceedings held in the above-captioned matter on February 21, 2013.

I further certify that I have no interest in the events of the matter or the outcome of the proceeding.

EXECUTED this 21st day of February, 2013.

Gayle Pichierri CSR No. 11406