

Citizens' Oversight Projects (COPs)

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PRESS RELEASE

COALITION TO DECOMMISSION SAN ONOFRE

A project of Citizens Oversight Projects (COPS)

SAN ONOFRE SETTLEMENT PRESS CONFERENCE MAY 6, 2014, 5PM

Overly complex proposed settlement hides double/triple-dipping and allows utilities to avoid responsibility for imprudence, design errors, and avoiding NRC review

SAN DIEGO (2014-05-01) -- The Coalition to Decommission San Onofre (CDSO) will join with a number of other non-settling parties at a press conference at 5pm on May 6, 2014, at the San Juan Capistrano Community Center, 25925 Camino Del Avion, San Juan Capistrano, CA 92675. This press conference is regarding the proposed \$3.3 billion San Onofre settlement of the California Public Utility Commission (CPUC) investigation into the outage at the nuclear plant. (A complete list of parties to appear will be provided as we near the date of the event.)

Ratepayer advocates assert that the settlement is unfair to ratepayers while allowing investors to get out without nary a scratch and may even profit greatly from the shutdown. Ratepayer advocates will review the key points of the proposed settlement and compare it side-by-side with the proposal by the non-settling parties.

"There is about \$2.8 billion between us, at this point," said Ray Lutz, National Coordinator for Citizens Oversight, Inc. and active participant at the CPUC proceedings in San Francisco on the investigation into the outage at San Onofre. "The failed design of the steam generators resulted in the abandonment of the entire nuclear plant at San Onofre, including recent upgrades to keep it operating until 2022 and beyond. The utilities want full recovery of their investment except for the steam generators themselves, even though the value of this plant dropped to zero after their failed management of the steam generator replacement project. This is bad policy because it rewards failure with yet another bailout.

"Plus, they want to dip into their insurance coverage, any judgment from the lawsuit with their contractor, Mitsubishi Heavy Industries, and they want all replacement power paid by ratepayers as well. We call that triple-dipping, at least."

The CDSO has already filed an opposition to the motion to adopt the settlement because of procedural matters, such as the fact that normally such a settlement involves all parties and requires the completion of the record. In this case, the settlement was negotiated in secret with only one other outside party (The

Utility Reform Network, TURN) and then they revealed to the world on March 27, 2014, with the demand that it be adopted without any changes whatsoever, even before most of the investigation has been completed.

The alternative to adopting the settlement would be to negotiate better terms, or to complete the full CPUC investigation, including Phase 3, which is slated to review the reasonableness of the entire Steam Generator Replacement Project (SGRP). Completing the investigation can provide important lessons learned and influence policy to avoid similar failures in the future. Avoiding the investigation simply means we may make the same mistakes again.

CDSO/COPS request that concerned citizens, organizations, and ratepayers email written comments in opposition to accepting the settlement, so that we may incorporate these comments into our official submission to the Commission. Please send them to raylutz@citizenoversight.org as soon as possible.

In a recent ruling, the Administrative Law Judges of the Proceeding, ALJ Darling and ALJ Dudney, outlined the schedule of events, reproduced below and including related events.

- May 1, 2014 (Utilities are required to provide answers to a list of questions provided by the Administrative Law Judges (ALJs) assigned to this investigation, ALJ Darling and ALJ Dudney.)
- May 6, 2014 (5 p.m.) Press Conference by a number of non-settling parties, including the CDSO, to explain the proposed settlement, why it is a bad deal, and why an alternative settlement is appropriate. San Juan Capistrano Community Center, 25925 Camino Del Avion, San Juan Capistrano, CA 92675 (PUBLIC MEETING)
- May 6, 2014 (6 to 8:30 p.m. -- Directly after the press conference) The San Onofre Community Engagement Panel (CEP) workshop on Used Nuclear Fuel issues. San Juan Capistrano Community Center. (PUBLIC MEETING) Agenda and details can be found here: <http://www.songscommunity.com/news2014/news043014.asp>
This event includes renowned radioactive waste expert, Marvin Resnikoff.
- May 7, 2014 (Comments on the proposed settlement due from all formal parties in the proceeding.)
- May 7/8, 2014 [TBD Press conference on settlement may be held in the San Diego area.]
- May 14, 2014 (Noon) Press conference by non-settling parties to be held on the steps of CPUC Headquarters, 505 Van Ness Avenue, San Francisco, CA 94102 (PUBLIC MEETING)
- May 14, 2014 (1:30pm) Evidentiary Hearing begins on the settlement at CPUC Headquarters.
- May 22, 2014 (Reply comments due from all formal parties in the proceeding.)
- June 16, 2014 (4 - 7 pm) Community Meeting on the Settlement, Costa Mesa Neighborhood Community Center, 1845 Park Ave., Costa Mesa, CA 92627 Settling parties and non-settling parties will have equal time, followed by comments by the public. (PUBLIC MEETING)

Further processing of the settlement is undefined at this time.

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The Coalition to Decommission San Onofre (CDSO) is a fictitious name of Citizens Oversight, Inc, a 501(c)3 nonprofit organization focused on improving civic engagement, and provides the corporate umbrella for this project. CDSO has other member organizations including COPS, such as San Clemente Green, San Onofre Safety, and Residents Organized for a Safe Environment, and closely coordinates with other non-member organizations, and has many individual members who are residents of the affected area, ratepayers, or concerned citizens.

CDSO/COPS is funded by donations from the public. To learn how to donate, visit <http://www.CitizensOversight.org> and click on DONATE.

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