

**BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric  
Company to Recover the Costs Associated  
with Renewal of the Diablo Canyon Power  
Plant Operating Licenses

Application No. 10-01-022

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**RESPONSE OF  
PACIFIC GAS AND ELECTRIC COMPANY TO  
A4NR MOTION TO DISMISS**

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Pacific Gas and Electric Company (“PG&E”) hereby responds to the motion of The Alliance for Nuclear Responsibility, Sierra Club, CALPIRG and Environment California Policy and Research Center (collectively “A4NR”) to dismiss PG&E’s license renewal application, A.10-01-022. A4NR moves to dismiss the proceeding as an alternative to the motion made by PG&E and The Utility Reform Network (“TURN”), and supported by the Division of Ratepayer Advocates (“DRA”), to suspend these proceeding until PG&E completes advanced seismic studies in the area around Diablo Canyon Power Plant (“Diablo Canyon” or “DCPP”).<sup>1/</sup>

**I. THE COMMISSION SHOULD DENY THE MOTION TO DISMISS**

A4NR argues, without factual support, that suspension of the proceeding is “inadequate.” Specifically, A4NR asserts that the proposed trigger for re-starting this proceeding, submission of a final report addressing the results of the seismic studies to the Nuclear Regulatory Commission (NRC), fails to take into account the Independent Peer Review Panel (“IPRP”) process required by Decision 10-08-003. To the contrary, PG&E has complied, and will continue to comply, with the requirement to submit seismic study plans and results to the IPRP

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<sup>1/</sup> This Response also addresses the arguments presented in the Response of the Californians for Renewable Energy filed on June 22, 2011.

for its review and comment and to resolve any issues raised by the IPRP.<sup>2/</sup> Action by the IPRP, however, need not be the trigger for re-starting this proceeding. It is appropriate that the motion to re-start this proceeding be triggered by the same action that will trigger re-start of the NRC license renewal process -- submission of the final report addressing the seismic studies to the NRC.

A4NR also argues that the June 7, 2011 Order issued by the Atomic Safety and Licensing Board (“ASLB”) assigned to PG&E’s license renewal “requires” a 52-month delay in the NRC hearing schedule. While the title of the Order, “Notice of 52-Month Delay and Order Requiring Status Reports” is confusing, the Order itself does not direct a 52-month delay of the NRC license renewal hearing process. The ASLB did not adopt a revised schedule for the license renewal hearing process. Rather, it directed PG&E to file monthly status reports showing PG&E’s progress toward completing the seismic studies. It should be noted that PG&E is making every effort to minimize the extent of the delay. For example, PG&E is working with the relevant State agencies to accelerate efforts to obtain permits needed to complete the 3-D seismic studies. While PG&E expects the seismic studies to be completed and a report issued no later than December 2015, any actual delay to this proceeding may be less than the 52 months referenced in the Order.

Regardless of the specific timing, the duration of the NRC adjudicatory process is irrelevant to the question of whether this proceeding should be suspended or dismissed. It is far from clear that the results of the seismic studies will have any impact on the cost-effectiveness analysis presented in this proceeding or on the Settlement Agreement entered into by PG&E, TURN and DRA. Suspending the proceeding recognizes the work that is complete, still relevant

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<sup>2/</sup> In fact, the IPRP issued a report, “IPRP Report No. 1, Comments on PG&E’s Enhanced Seismic Study Plans for Diablo Canyon Power Plant” on September 30, 2010.

