



ALLIANCE FOR NUCLEAR RESPONSIBILITY

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**Alliance files Testimony in PG&E's General Rate Case:
Diablo Canyon no longer economically viable; early shutdown would save ratepayers billions**

The Alliance for Nuclear Responsibility today filed the Testimony of its attorney and expert witness, John Geesman, a former member of the California Energy Commission, in the PG&E's General Rate Case (GRC) now before the CPUC.

In the three years since PG&E, the Alliance and others executed the Joint Proposal to retire Diablo Canyon *no later than* 2024/25, electricity market conditions have changed greatly in PG&E's service territory. PG&E's primary reason for retiring the plant was the projected loss of bundled customers to Community Choice and Direct Access that would render the power unneeded. The loss of customers that PG&E had anticipated would not occur until 2025 has already been exceeded by 10 to 20 percent. At the same time, ongoing reductions in the costs of solar, wind and gas generation—coupled with its inflexibility as an integrator of renewable generation—renders Diablo Canyon economically uncompetitive. Computed via the Commission's Power Charge Indifference Adjustment methodology, Diablo Canyon has above market costs of \$410 million in 2018, rising to \$523 million in 2019, and escalating through 2022.

Continuing to incur Diablo Canyon O&M and Capital expenditures of over \$1 Billion during this GRC period—that are avoidable and inconsistent with just and reasonable rates—creates increased cost to the remaining bundled customers, and adds an unnecessary penalty to those now served by CCAs that do not include—and often expressly prohibit—nuclear generation in their source portfolios.

“In the 2018 CPUC decision approving the retirement of Diablo Canyon, the Commissioners wrote, ‘If in the interim period the facts change in a manner that indicates Diablo Canyon should be retired earlier, the Commission may reconsider this determination,’” notes A4NR executive director Rochelle Becker. “Our Testimony documents these changed facts. A responsible Commission concerned for California's future should consider that ratepayer dollars are more wisely spent hardening our grid against future wildfires than propping up the aging, inefficient money pit that is the Diablo Canyon Nuclear Plant.”

The testimony can be downloaded at: <http://a4nr.org/?p=4165>

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