



CONFIDENTIAL AND PRIVILEGED INFORMATION

April 6, 2022

Pacific Gas and Electric Company  
4111 Broad Street, Suite 120  
San Luis Obispo, CA 93401

Attention: Mr. Scott Hamblin Tel: (805) 545-4118  
Nuclear Decommissioning Senior Category Leader Email: [KSHA@pge.com](mailto:KSHA@pge.com)

References: [1] PG&E Notification to Unsuccessful Bidder Letter, dated April 6, 2022

Subject: Holtec International's Response to PG&E Letter Regarding Notification of Unsuccessful Bid

Mr. Hamblin:

We acknowledge the receipt of the shocking letter today rejecting Holtec's HI-STORM 100 system technology that has been in use safely storing spent nuclear fuel at Diablo Canyon since 2000. By PG&E's own admittance, PG&E will use a first-of-a-kind, not licensed by the NRC, never tested, not in use by any utility in any country, system that "includes enhanced thermal and seismic capabilities, which will require additional NRC safety reviews," according to PG&E and "that once approved," the dry storage system will finally be available for use at Diablo Canyon. Selecting an unproven, unlicensed system for deployment in an ultra-high seismic area, in our opinion, *does not meet* PG&E's Vice President of Decommissioning and Technical Services, Maureen Zawalick's statement to ensure that "everyone and everything is always safe." Bluntly stated, PG&E's decision reveals a blatant disregard for the interests and welfare of the host community of the San Luis Obispo area.

We have observed with considerable apprehension that the PG&E bid evaluation process has been conducted with little regard to the gravity of the technical and safety features provided by a "road tested" dry storage project such as the one currently conducted by PG&E and Holtec. Rather, it appears that the review team has discarded PG&E's forty-year practice of diligent supplier selection premised on the overriding criteria focused on protecting the public's health and safety. We observed little to no evidence of the studious reviews and technical astuteness that had characterized PG&E's previous procurements of safety significant systems in the past.

PG&E's technically knowledgeable personnel appear to have been sidelined or muzzled and the body of PG&E's literature on evaluation of the available technologies summarily buried. Plainly stated, the decision to award the dry storage contract to Orano whose freestanding modules are apt to slide and fall in the Pacific Ocean under California Coastal Commission's postulated earthquake is a preposterous and reprehensible act.

That said, we are willing and amenable to receiving the briefing from you next Wednesday when we expect you to respond to our queries focused on the honesty, technical competence, and objectivity of the evaluation process. Absent a clear and enlightening response, our company will elect to contest your decision of award and employ all appropriate avenues available to us to reverse your ill-conceived decision and protect the well-being of the people of California and PG&E.



Mr. Scott Hamblin  
Pacific Gas and Electric  
April 6, 2022  
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Sincerely,

A handwritten signature in black ink, appearing to read "P. Oneid", written over a horizontal line.

Pierre P. Oneid  
Senior Vice President and Chief Nuclear Officer  
Cell: 609-841-3573; E-mail: [p.oneid@holtec.com](mailto:p.oneid@holtec.com)

cc: Patricia K. Poppe, Adam L. Wright, Paula A. Gerfen, Maureen R. Zawalick, Tom Jones,  
Robert Brannan, Diablo Canyon Decommissioning Engagement Panel

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