



August 22, 2022

The Honorable Gavin Newsom
Governor of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Re: Diablo Canyon Power Plant Operating Extension

Dear Governor Newsom:

Thank you to you and your team for taking the time to reach out to the Central Coast region cities (Cities) regarding the proposed legislation to assist PG&E with the process of extending the operating permit for Diablo Canyon Power Plant (DCPP).

In 2018, cities in San Luis Obispo County joined together to create a unified voice for our region in the wake of the announcement that DCPP was closing. As a region we stood up and fought for our communities. Our efforts led to the passing of SB 1090 (Monning, 2018) which protected the interests of cities by providing funding to help our communities transition to a post-DCPP future.

We have since strengthened our coalition by adding additional cities. The potential extension of the operations at DCPP is a regional issue that goes beyond San Luis Obispo County. As a region we strongly believe that together we rise. Based on the draft legislation and the conversation with your staff, the Cities would like to share the following requests to include in any legislation should the state advance legislation to explore the extension of DCPP operations:

1. Ensuring that the DCPP is safe is the number one priority of the Cities. All entities regulating the safety of DCPP should continue to work to ensure the safe operation of DCPP for the duration of the operational period.
2. The extension of the license for DCPP should be of a limited-term and should be tied to making sure that the state has enough renewable energy online to replace DCPP when the license expires. It is not in the best interest of the people to extend operations for 5-10 years to then realize that the state needs more time and have to go through this process again. Nevertheless, the term should not be indefinite

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and should provide a reasonable timeline to account for any potential unavoidable disruptions related to delivering renewable energy resources.

3. We urge the Governor's Office to partner with our region and invest in renewable energy opportunities now and remove regulatory barriers that hinder the deployment of renewable energy such as wind, solar, geothermal, battery storage, etc. A "Marshal Plan" for renewable energy in California is needed to reduce impediments to renewable investment and development.

Efforts to extend the life of DCPD should not hinder future investments in renewable energy or other projects in the Central Coast region that could help California and local communities in a post-DCPD future. These opportunities include our Clean Tech Innovation Park Concept with Cal Poly as well as the development of offshore wind in the Morro Bay Wind Energy Area.

4. Efforts have already commenced to create a dynamic vision for the use of "Parcel P" at DCPD that is unanimously endorsed by the County of San Luis Obispo. The Cities believe that the planning process should continue, especially with the uncertainty over the exact closure date. The community has coordinated and envisioned future uses that align with state priorities.
5. In its draft form the legislation is silent on the previous payments made to local governments under the provisions of SB 1090. While the Cities appreciate that the draft language does not contain any claw back provisions, explicit language stating that the CPUC shall not attempt to claw back funds that were sent to local governments as a result of SB 1090 is necessary to offer certainty to the Cities moving forward.
6. The Cities would like to see a recognition that some of the SB 1090 funds allocated for the planned closure of DCPD in 2025 have already been spent in preparation for the 2025 closure date and that those funds previously allocated will be insufficient if DCPD's operations are extended beyond 2025 as the work done planning for a 2025 closure will be obsolete in 2035. Should DCPD be extended, we would suggest that the issues of compensating cities be reopened to provide the necessary funding for the future.
7. The Diablo Canyon property is home to over 12,000 acres of pristine land along the California coastline. Preserving these lands for generations is a priority and efforts should be made immediately to ensure that the open space areas are preserved in consultation with native peoples.
8. PG&E should be encouraged to use local labor where feasible to support the local community that is being affected by the extension and ensure that there is an equitable and smooth transition for skilled labor who support California's energy and economy.
9. The State and Federal government must find a safe solution for the long-term storage of the spent fuel that is currently being stored at DCPD.


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Given the short timeframe for submitting comments, these comments could not reflect the full consideration and input of the Cities respective City Councils. We as Mayors are signing this letter as individuals. We appreciate you taking our concerns into consideration.


Sincerely,


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Heather Moreno, Mayor
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