**Diablo Canyon Decommissioning Engagement Panel Meeting**

**Date/Time:** 7-25-18 / 6:00 PM – 9:30 PM  
**Facilitator:** Chuck Anders

**Meeting Location:** 1055 Monterey Street, SLO; County Government Offices  
**Recorder:** Brandy Lopez

**Webcast:** SLO-SPAN  
**TV Broadcast:** Channel 21 (Charter)

**Purpose:** Receive information from PG&E on the DCPP decommissioning process/timetable and provide direct input to PG&E on behalf of the local community.

**Desired Outcomes:**
- By the end of today’s meeting, the panel will:
  - Discuss decommissioning funding mechanisms;
  - Review public outreach metrics;
  - Conduct public comment
  - Discuss land use workshops and meetings
  - Record actions and evaluate the meeting.

### AGENDA

<table>
<thead>
<tr>
<th>Item #</th>
<th>What – Content</th>
<th>Action Path</th>
<th>Who</th>
<th>Target Start Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Open house poster session with Q&amp;A</td>
<td>Inform, Discuss, Record comments</td>
<td>All</td>
<td>6:00 PM</td>
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<td>2.</td>
<td>Safety Minute (911, AED, CPR)</td>
<td>Consensus</td>
<td>PG&amp;E</td>
<td>7:00 PM</td>
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<td>3.</td>
<td>PG&amp;E welcome and project update</td>
<td>Present</td>
<td>Franke</td>
<td>7:02 PM</td>
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<td>4.</td>
<td>Review meeting agenda, introduce meeting topic, and review desired outcomes</td>
<td>Present</td>
<td>Anders</td>
<td>7:10 PM</td>
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</table>
| 5.    | Decommissioning Funding and Status  
  - Presentation  
  - Panel question and responses | Present, Discuss | Franke/Panell/PG&E | 7:15 PM |
| 6.    | Options Considered to Address DCPP Funding Needs  
  - Presentation  
  - Panel questions and responses | Present, Discuss | Nelson/Panell/PG&E | 7:45 PM, 8:00 PM |
| 7.    | Break | Discuss | All | 8:15 PM |
| 8.    | Public comment (window closes at 8:25 p.m.) | Discuss, Record | All | 8:25 PM |
| 9.    | Panel discussion and actions | Discuss, Record | Panel/Jones | 8:55 PM |
| 10.   | Review public comments and metrics | Present | Anders | 9:05 PM |
| 11.   | Introduction to next meeting topics: Future Use of Diablo Canyon Lands (Aug.) and Facilities (Sept.) | Present | Jones | 9:15 PM |
| 12.   | Meeting Summary and (+/−) | Discuss, Record | Anders | 9:25 PM |
| 13.   | Adjourn Meeting* | Action | Anders | 9:30 PM |

*PG&E staff will remain on-premises after the meeting to answer additional questions*

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<tr>
<th>Meeting Evaluation</th>
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<th>Action Items</th>
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<tr>
<td><strong>Description</strong></td>
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Safety Moment

AED
CPR
Call 911
Meet and Guide Emerg. Personnel
Evacuation Plan
Earthquake ‘Duck, Cover, Hold’
Active Shooter ‘Get Out, Hide Out, Take Out, Call Out’
Welcome from
Jon Franke
PG&E Vice President of Power Generation

July 25, 2018
## Agenda Review

### Wednesday, July 25

<table>
<thead>
<tr>
<th>Topic</th>
<th>Presenter</th>
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<tbody>
<tr>
<td>Decommissioning Funding and Status</td>
<td>Franke / Panel / PG&amp;E</td>
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<tr>
<td>Options Considered to Address DCPP Funding Needs</td>
<td>Nelson / Panel / PG&amp;E</td>
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<tr>
<td>10 Minute Break (8:15 p.m.)</td>
<td>All</td>
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<tr>
<td>Public Comment (window closes at 8:25 p.m.)</td>
<td>All</td>
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<tr>
<td>Meeting Summary</td>
<td>Anders</td>
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<tr>
<td>Adjourn Meeting</td>
<td>Anders</td>
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Decommissioning
Funding & Status

Jon Franke
PG&E Vice President, Power Generation
July 25, 2018
Federal Regulations Focus on Radiological Remediation

- Governed by NRC
- Restrictive use to radiological issues

State Regulations focus on the site

- Includes radiological remediation
- Expands focus on environmental aspects, such as site restoration for non-radiological facilities

Not fully aligned for Diablo Canyon Project
NRC Regulations

10 CFR 50.75
• Requires establishment of a Decommissioning Trust Fund

10 CFR 50.2
• “Decommission” means to remove a facility or site safely from service and reduce residual radioactivity to a level that permits release of the property

Purpose: To ensure radiological decommissioning is funded and completed

CFR: Code of Federal Regulations
Potential Radiological Areas
Trust fund allowance for pre-shutdown planning (from 10 CFR 50.82)

- 3 percent of a generic trust fund formula defined in 10 CFR 50.75;
  - ~1.5 percent of actual trust fund
- Not 3 percent of actual trust fund
- “Planning” refers to “paper studies,” not physical work
- Equates to $37.2M total for both DCPP Units

Trust funds may not be used for other purposes until radiological decommissioning is complete*
2015 NDCTP Filings

- $2.5B Approved
- SONGS Approved Estimate
- Diablo Canyon Requested Estimate
- ~$4.2B Requested
Overview of Funding Availability

Planning

Permanent Shutdown

Must have submitted:
- Cert. of Perm. Shutdown
- Cert. of Perm. Fuel Removal from Reactors
- PSDAR + 90 days

3% generic: $37.2M

Decommissioning

Must have submitted:
- Site-Specific Cost Estimate
- Also above submittals at shutdown

Balance of Actual Trust Fund

20% generic: $248M

Terminated License

Must have submitted:
- Cert. of Perm. Fuel Removal from Reactors
- PSDAR + 90 days

PSDAR: Post-Shutdown Decommissioning Activities Report
3% Percent Funding for Planning

Detailed Work Planning

2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024

Procurement to Support Immediate DECON

NRC Licensing

State/Local Permitting

Engagement Panel

3% generic: $37.2M
DCPP Trust Funds

Per state law, costs of nuclear decommissioning are recovered in rates

2015 Nuclear Decommissioning Cost Triennial Proceeding (NDCTP) estimated ~$4.2B

~$2.5B approved by CPUC in 2015 NDCTP (approved 2017)

Current trust funds total ~$2.8B

• No additional monies allocated at this time

Funding amounts are in nominal dollars
California Implementation

Each unit’s trust fund is co-mingled without designation of monies for each category

- radiological decommissioning
- spent fuel management
- non-radiological site restoration

Common strategy employed by several other states
Will exhaust the NRC generic 3 percent in 2\textsuperscript{nd} quarter 2019

Pre-shutdown scope required to minimize total decommissioning costs

- spent fuel management
- non-radiological site restoration
- engagement panel

Conclusion: traditional funding approach will not work for DCPP
Thank you

Jon Franke
Jon.Franke@pge.com
Options Considered to Address DCPP Funding Needs

Eric Nelson
PG&E Director, Diablo Canyon Decommissioning
July 25, 2018
Funding needed for 2019-2024 not currently available through the trust fund:

• >$37.2M (3 percent generic trust fund)
• Planning for non-radiological decommissioning activities:
  • spent fuel management
  • site restoration activities
  • engagement panel

Three options considered
Option 1: NRC Exemption

Option: Exemption Request

Considerations:

• A NRC exemption has never been granted to a plant that is still operational
• Prior exemptions relied on basis that the trust fund was already fully funded (SONGS)

Evaluation/Conclusion

• DCPP is still operational, and in accordance with our prior submittals to the NRC, DCPP trust funds are not fully funded
• Therefore, an exemption approval from the NRC is unlikely
Option 2: General Rate Case (GRC)

Option: Request use of GRC funds

Considerations:
- No California precedent of using GRC funds for decommissioning activities

Evaluation/Conclusion:
- GRC is set up for operational costs
- DCPP decommissioning was set up to be funded through the trust funds, and therefore, do not further consider this option
Option 3: Separate Funding Account

Option: Request Memorandum Account from CPUC

Considerations:

• Account would track decommissioning planning costs beyond those allowed by NRC regulations
• Similar accounts have been granted by the CPUC (e.g., natural disaster recovery costs)
• The approval of the account is not a guarantee of cost recovery
Evaluation/Conclusion

- Would allow for planning to continue at the level necessary to provide lowest cost to customers
- PG&E will request funding (separate from decommissioning trust fund) in addition to the $37.2M planning allowance in 2018 NDCTP
- Supports revised 2018 NDCTP filing date of December 2018
Requested Memorandum Account from CPUC because:

• Allows critical decommissioning planning to continue
• Consistent with regulatory recovery mechanisms for similar situations
• Does not depend on NRC exemption request
• Puts all decommissioning costs into the same CPUC proceeding
NRC restricts trust fund use

Additional funds are needed for decommissioning planning activities (including non-radiological decommissioning activities)

PG&E is working to obtain funding for decommissioning planning activities for 2019-2024
2018 NDCTP filing date is December 2018

Filing will include funding for the engagement panel, decommissioning planning and permitting activities

Per state law, costs of nuclear decommissioning are recovered in rates
Thank you

Eric Nelson
Eric.Nelson@pge.com
Panel Questions & Responses
Break
10 minutes
Public Comments & Questions

JUNE-JULY 2018 TOTAL: 46

- Repurposing: 10
- Lands: 16
- Transportation: 5
- Environmental: 5
- Economic Impact: 3
- Funding: 2
- Safety: 1
- Security: 0
- Community Outreach: 2
- Other: 2
# Public Comment Session

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Panel Discussion & Actions
Aug. 29 Topic: Future Use of Diablo Canyon Lands

Sept. 26 Topic: Repurposing of Diablo Canyon Facilities
Public Workshop and Tour Dates

**Lands Workshops: Pismo Beach City Hall**

- Friday, August 17, 9:00 AM – 4:00 PM
- Saturday, August 18, 9:00 AM – 4:00 PM
- Panel Meeting is August 29

**Repurposing Workshops: Atascadero City Hall**

- Friday, September 14, 9:00 AM – 4:00 PM
- Saturday, September 15, 9:00 AM – 4:00 PM
- Panel Meeting is September 26
## Upcoming DCPP Lands Tours

<table>
<thead>
<tr>
<th>Date</th>
<th>Start and End Times</th>
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<tbody>
<tr>
<td>Tues., July 24 (dry run available to panelists)</td>
<td>0900 - 1200</td>
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<tr>
<td>Tues., Aug. 7</td>
<td>0900 - 1200</td>
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<td>Wed., Aug. 8</td>
<td>0900 - 1200</td>
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<td>Sat., Aug. 11</td>
<td>0900 - 1200 and 1300 - 1600</td>
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<td>Tues., Aug. 14</td>
<td>0900 - 1200</td>
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<td>Wed., Aug. 15</td>
<td>0900 - 1200</td>
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<td>Sat., Aug. 18</td>
<td>0900 - 1200 and 1300 - 1600</td>
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<td>Tues., Aug. 21</td>
<td>0900 - 1200</td>
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<td>Wed., Aug. 22</td>
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<td>Tues., Aug. 28</td>
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<td>Wed., Aug. 29</td>
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<td>Tues., Sept. 4</td>
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<td>Wed., Sept. 19</td>
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<tr>
<td>Wed., Sept. 26</td>
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DCPP Lands Tours

Logistics

• All tours will begin and end at the PG&E Energy Education Center

• There will be three stops during the tour: Southern Ranch Vista, Marina, and Windy Point - North Ranch

• SLO Safe Ride will be the form of transportation with option of additional PG&E vans

• Capacity without PG&E vans is 660 people

• Call 805.546.5280 or visit: www.pge.com/diablocanyontours

• Pecho Coast Trail: 805.541.TREK

• Point Buchon: 8 – 5:00 PM Thurs-Mon
Meeting Evaluation
Thank you

We’re available now to answer additional questions
Appendix

• Site Overview Map
• Project Phasing
Site Overview: Diablo Canyon Looking East

- 500 KV Yard
- 230 KV Yard
- Power Block
- Dry Cask Storage
- Old Steam Generator Storage Facility
- Firing Range
- Intake
- Breakwater

Submittal 1: 2020
Submittal 2: 2030
Submittal 3: 2060
Project Phasing

Submittal 1: Pre-Planning and Decommissioning

Submittal 2: Potential Breakwater Demolition and ISFSI Only

Submittal 3: ISFSI Demolition and Restoration

Program Level Description (Project Execution)

Approval Phase

April 2020 CDP #1 Submittal

January 2030 CDP #2 Submittal

January 2060 CDP #3 Submittal