Diablo Canyon Power Plant Potential Continued Operations

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Topics

- Diablo Canyon Power Plant (DCPP) Overview
- Recent Changes to California Energy Policy
- Concurrent Planning Paths
- Near-Term Milestones



DCPP Overview

- Two Westinghouse pressurized water reactors (PWRs)
- Operating licenses DPR-80 and DPR-82
- DCPP operations began:

- Unit 1: May 1985

- Unit 2: March 1986

- Current operating license expirations:
 - Unit 1: November 2024
 - Unit 2: August 2025
- 9% of CA's energy
- ~20% of CA GHG free





State and Federal Changes Due to Projected Energy Shortfall

Assembly Bill (AB) 180

- Signed by the California Governor on June 30, 2022
- Authorized \$75 million for near-term fuel purchasing, fuel storage, licensing and project team to preserve option of extended DCPP operations

Senate Bill (SB) 846

- Signed by the California Governor on September 2, 2022
- Directed PG&E to pursue continued operations for 5 years beyond 2025
- Addresses both near-term and long-term funding needs
- Includes state policy "off ramps" that could terminate the path of renewing the operating licenses

U.S. Department of Energy Civil Nuclear Credit Program

DCPP has been certified to participate in the program's first award period





Why Now? Immediate Actions Underway

- 1. Fuel Purchasing: Two-year lead time currently no fuel for Unit 1 in 2024
- 2. Spent Nuclear Fuel Storage: Two-year lead time to contract, manufacture, transport, and load canisters to support continued core reloads
- 3. Regulatory Processes: Initiate complex federal and state applications for permits and funding including US Dept. of Energy (DOE) grant application process
- 4. Project Team: Restarted license renewal (LR) application preparation, inspection program development, and implementation of LR NRC commitments as directed by SB 846



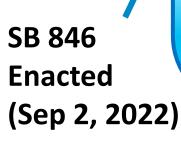
Paths Due to California Energy Policy Changes

1. DCPP Retirement 2024/2025

- Continue key decommissioning planning to secure items already in progress
 - Diablo Canyon Decommissioning Engagement Panel
 - San Luis Obispo County: Decommissioning development planning
 - Nuclear Regulatory Commission (NRC): Decommissioning license actions
 - CA Public Utilities Commission: Nuclear Decommissioning Cost Triennial Proceedings
 - Diablo Canyon land activities

2. DCPP Continued Operations

- DCPP license renewal efforts with NRC and State agencies
- Dept of Energy conditionally granted PG&E Civil Nuclear Credit funds (up to \$1.1B)
- Coordinate with State's Secretary of Natural Resources
- Develop employee retention





Near-Term Milestones

- By Jan 2023: CEC and CPUC provide joint Reliability Planning Assessment identifying estimates for the electrical supply and demand balance for the forward 5- and 10-year period under high-, medium-, and low-risk scenarios
- Q1 2023: CPUC to open new proceeding focused on SB-846 implementation
- Q1 2023: NRC determine regulatory approach for License Renewal Application
- By Mar 1, 2023: CEC, CAISO, and CPUC determination on "need" to extend DCPP operations to ensure reliability

CEC: CA Energy Commission

CAISO: CA Independent System Operator

CPUC: CA Public Utilities Commission



Near-Term Milestones (continued)

- By Mar 6, 2023, and after holding a meet and confer with CPUC-jurisdictional LSEs, PG&E to make a filing with the CPUC containing detailed description of accounting structure for DCPP continued operations cost recovery
- Q1/Q2 2023: File application for extension of DCPP Employee Retention Program
- By Jun 30, 2023: engage CA Legislature regarding authorization for remaining Dept of Water Resources funding (\$800M) and clean-up items from SB-846

CPUC: CA Public Utilities Commission

LSE: Load-Serving Entities

Questions?

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