

STATE OF CALIFORNIA

Public Utilities Commission  
San Francisco

**M e m o r a n d u m**

**Date:** June 10, 2015

**To:** The Commission  
(Meeting of June 11, 2015)

**From:** Lynn Sadler, Director  
Office of Governmental Affairs (OGA) – Sacramento

**Subject:** **AB 361 (Achadjian) – California Emergency Services Act: nuclear powerplants.**  
**As amended: May 28, 2015**

**RECOMMENDED POSITION:** SUPPORT

**SUMMARY OF BILL**

This bill would extend funding for the Office of Emergency Services (OES) to support emergency service activities associated with Diablo Canyon Power Plant (DCPP) until 2025. Specifically, this bill would:

- Add Section 8610.5 to the Government Code
- Extend funding until August 26, 2025 for emergency service activities associated with DCPP
- Allow the amounts paid by a utility under this section for ratemaking purposes by the Public Utilities Commission.

**CURRENT LAW**

- Funding for these OES activities is only until July 1, 2019

**AUTHOR'S PURPOSE**

Since funding for OES activities for emergency planning for Diablo Canyon currently expires in 2019, it is necessary to extend funding for OES at least until the current operating license of DCPP Unit 2 expires on August 26, 2025.

**EXPLANATION OF BILL'S IMPACT ON CPUC PROGRAMS, PRACTICE & POLICY**

This bill does not directly affect any CPUC programs, policy, or practice. It would allow for continued funding of OES, which is paid by PG&E ratepayers, through ratemaking.

## **SAFETY IMPACT**

OES provides oversight to the states' nuclear power plants including Diablo Canyon. Since Diablo Canyon could be operating until at least August 26, 2025, under its existing license, the OES would be able to continue to provide emergency planning oversight to the plant and surrounding population in the event of an earthquake, tsunami, or other condition requiring evacuation of people from the DCPD vicinity.

## **RELIABILITY IMPACT**

Safe evacuation of plant personnel and people in the vicinity of Diablo Canyon in the event of a need for evacuation is important for safety and reliability of the plant.

## **RATEPAYER IMPACT**

PG&E ratepayers would continue to support OES activities through rates. Currently, OES activities are funded until July 2019.

## **FISCAL IMPACT**

There is no fiscal impact to the CPUC.

## **ECONOMIC IMPACT**

This bill has no economic impact in the local community.

## **LEGAL IMPACT**

There are no legal impacts caused by this bill.

## **LEGISLATIVE HISTORY**

Under existing law, the California Emergency Services Act authorizes local government entities to create disaster councils to develop disaster plans specific to their jurisdiction. The Radiation Protection Act of 1999 requires local government to develop and maintain emergency preparedness and emergency response plans to safeguard the public in the emergency planning zone around a nuclear power plant. The Office of Emergency Services (OES) is responsible for the coordination and integration of emergency planning programs and emergency response plans created thereby. The California Emergency Services Act provided for funding for OES until July 1, 2019, which now needs to be extended. The operating license for Diablo Canyon Unit 2 expires on August 26, 2025. DCPD Unit 1's operating license expires in 2024.

## **BACKGROUND INFORMATION ON IMPACTED PROGRAMS, PRACTICE OR POLICY**

OES provides emergency planning oversight for Diablo Canyon Power Plant, which is an operating nuclear power plant near San Luis Obispo, CA.

## **OTHER STATES' INFORMATION**

Unknown.

## **SUMMARY OF SUPPORTING ARGUMENTS FOR RECOMMENDATION**

This bill should be **supported** for the following reason(s):

- (1) Diablo Canyon Power Plant could remain operating until at least August 26, 2025 when the operating license for Unit 2 expires.
- (2) As long as DCPD remains operating, there is a need for OES to continue its emergency planning oversight for DCPD and its vicinity.
- (3) Continued oversight by OES maintains the plants reliability and safety.

## **SUMMARY OF SUGGESTED AMENDMENTS**

None.

## **SUPPORT/OPPOSITION**

### **Support**

Alliance for Nuclear Responsibility  
Physicians for Social Responsibility of Los Angeles  
Sierra Club

### **Opposition**

None on file.

## **VOTES**

Assembly Floor: 75-0 (6/2/15)

Assembly Appropriations Committee: 17-0 (5/28/15)

Assembly Utilities and Commerce Committee: 15-0 (4/27/15)

Assembly Governmental Organization Committee: 20-0 (4/22/15)

## **STAFF CONTACTS**

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## BILL LANGUAGE

### SECTION 1.

*Section 8610.5 is added to the Government Code, to read:*

#### **8610.5.**

*(a) For purposes of this section:*

- (1) "Office" means the Office of Emergency Services.*
- (2) "Previous fiscal year" means the fiscal year immediately prior to the current fiscal year.*
- (3) "Utility" means an "electrical corporation" as defined in Section 218 of the Public Utilities Code.*

*(b) (1) State and local costs to carry out activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code that are not reimbursed by federal funds shall be borne by a utility operating a nuclear powerplant with a generating capacity of 50 megawatts or more.*

*(2) The Public Utilities Commission shall develop and transmit to the office an equitable method of assessing a utility operating a powerplant for its reasonable share of state agency costs specified in paragraph (1).*

*(3) Each local government involved shall submit a statement of its costs specified in paragraph (1), as required, to the office.*

*(4) Upon notification by the office, from time to time, of the amount of its share of the actual or anticipated state and local agency costs, a utility shall pay this amount to the Controller for deposit in the Nuclear Planning Assessment Special Account, which is continued in existence, for allocation by the Controller, upon appropriation by the Legislature, to carry out activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code. The Controller shall pay from this account the state and local costs relative to carrying out this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code, upon certification of the costs by the office.*

*(5) Upon appropriation by the Legislature, the Controller may disburse up to 80 percent of a fiscal year allocation from the Nuclear Planning Assessment Special Account, in advance, for anticipated local expenses, as certified by the office pursuant to paragraph (4). The office shall review program expenditures related to the balance of funds in the account and the Controller shall pay the portion, or the entire balance, of the account, based upon those approved expenditures.*

*(c) (1) The total annual disbursement of state costs from a utility operating a nuclear powerplant within the state for activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code, shall not exceed the lesser of the actual costs or the maximum funding levels established in this section, subject to subdivisions (e) and (f).*

*(2) Of the annual amount of two million forty-seven thousand dollars (\$2,047,000) for the 2009–10 fiscal year, the sum of one million ninety-four thousand dollars (\$1,094,000) shall be for support of the office for activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code, and the sum of nine hundred fifty-three thousand dollars (\$953,000) shall be for support of the State Department of*

*Public Health for activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code.*

*(d) (1) The total annual disbursement for each fiscal year, commencing July 1, 2009, of local costs from a utility shall not exceed the lesser of the actual costs or the maximum funding levels established in this section, in support of activities pursuant to this section and Chapter 4 (commencing with Section 114650) of Part 9 of Division 104 of the Health and Safety Code. The maximum annual amount available for disbursement for local costs, subject to subdivisions (e) and (f), shall, for the fiscal year beginning July 1, 2009, be one million seven hundred thirty-two thousand dollars (\$1,732,000) for the Diablo Canyon site.*

*(2) The amounts paid by a utility under this section shall be allowed for ratemaking purposes by the Public Utilities Commission.*

*(e) The amounts available for disbursement for state and local costs as specified in this section shall be adjusted and compounded each fiscal year by the larger of the percentage change in the prevailing wage for San Luis Obispo County employees, not to exceed 5 percent, or the percentage increase in the California Consumer Price Index from the previous fiscal year.*

*(f) Through the inoperative date specified in subdivision (h), the amounts available for disbursement for state and local costs as specified in this section shall be cumulative biennially. Any unexpended funds from a year shall be carried over for one year. The funds carried over from the previous year may be expended when the current year's funding cap is exceeded.*

*(g) This section shall become operative on July 1, 2019.*

*(h) This section shall become inoperative on August 26, 2025, and, as of January 1, 2026, is repealed.*

*(i) When this section becomes inoperative, any amounts remaining in the special account shall be refunded to a utility contributing to it, to be credited to the utility's ratepayers.*