

# Diablo Canyon Nuclear Plant

*“The closing of Diablo Canyon will have significant impact on this community. It presents challenges as well as opportunity, and now is the time for us to influence the process for the best possible outcome. How can we replace those jobs? How should the 12,000 beautiful acres that surround the plant be managed and made available for public access? ... We can shape the future as a community, and here is our chance.”*

*-- Kara Woodruff, Diablo Canyon Decommissioning Engagement Panel citizen member*

**Context:** On the California coast in San Luis Obispo, Diablo Canyon Nuclear Plant is owned and operated by PG&E. Approximately 1,200 of the employees at Diablo Canyon are employed by PG&E, in addition to 200 subcontracted employees (the unincorporated area of Avila Beach, closest to Diablo Canyon, has a population of 15,000; San Luis Obispo County has a population of 270,000). The power plant has two reactor units, built in 1968 and 1970, that total for a capacity of 2256 MW. Discussions of phasing out the plant began when PG&E applied to renew the plant’s nuclear operating license in 2009, but faced opposition PG&E announced the closure of the plant in 2016 amid increased attention following the Fukushima nuclear disaster.

**Transition Negotiation:** Political opposition to Diablo Canyon, from state politicians to local groups, grew anew in 2011 following the Fukushima disaster, which hit Diablo Canyon especially hard due to its proximity to major fault lines in California. That April, PG&E asked the Nuclear Regulatory Commission not to issue license renewals until PG&E could complete new seismic studies. PG&E announced its plans to close the plant in 2016.

Following the announcement, PG&E worked with labor and environmental groups to come up with a proposal for \$448 million in transition funding, which would save \$1 billion and include large energy efficiency measures. Nevertheless, in January 2018, the California Public Utilities Commission instead approved a plan for rate recover and smaller amounts of funding for employee retention and training. After community protests, Governor Brown signed a legislative push (SB 1090) directing the commission to approve the larger, coalition-proposed deal instead.

**Plant Owner Funding:** The plan first approved by the utilities commission included \$241.1 million for rate recovery and \$222.6 million for employee retention and training, while allowing \$18.6 million for license renewal costs. SB 1090, however, directs the commission to approve the \$85 million settlement and PG&E’s full \$350 million proposed employee retention and retraining program.

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## Diablo Canyon Nuclear Plant



**Facility:** 2240 MW total capacity, two reactor units

**Fuel Source:** Supplied by Westinghouse Electric Corporation

**Location:** San Luis Obispo, central coast of California

**History:** Built in the late 1960s and early 1970s, protested in 1980s anti-nuclear movement

**Community:** Avila Beach population of 15,000, in a mostly rural county with college community

**Employment:** 1,200 plant employees and 200 contractors

**Environmental Record:** Plant updated for earthquake risks but never experienced any incidents; increased tritium levels, higher temperature in nearby waters

**Operator:** PG&E

**Ownership:** PG&E

**Operation Status:** Reactors to stop operating in 2024 and 2025

**Nature of Transition Deal:** Combination of legislative and regulatory proceedings

**Transition Funding:** Additional funding possible, but \$240 million in rate recovery and \$220 million for employee transitions