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Sent: 10/16/2012 3:05:48 PM
To: Prosper, Terrie D. (terrie.prosper@cpuc.ca.gov)
Cc:
Bcc:
Subject: CPUC Proposal Would Open Formal Investigation Into San Onofre Outage: CPUC Press Release

**FOR IMMEDIATE RELEASE
PRESS RELEASE**

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**CPUC PROPOSAL WOULD OPEN FORMAL
INVESTIGATION INTO SAN ONOFRE OUTAGE**

SAN FRANCISCO, October 16, 2012 - The California Public Utilities Commission (CPUC) today issued a proposal that would open a formal investigation into the extended outages of Units 2 and 3 at the San Onofre Nuclear Generating Station (SONGS), including whether to immediately remove all costs related to SONGS from the rates of Southern California Edison (SCE) and San Diego Gas and Electric (SDG&E) going forward, and to refund SONGS-related costs already collected in rates back to January 1, 2012.

The CPUC's Commissioners will vote on whether to open the investigation at the CPUC's October 25, 2012, voting meeting in Irvine, Calif. The investigation would consider the causes of the outages, the utilities' responses, the future of the SONGS units, and the resulting effects on the provision of safe and reliable electric service at just and reasonable rates. Typically these issues are examined by the CPUC in various proceedings. The investigation would consider these issues in a consolidated manner that is efficient for the utilities, parties, and the CPUC.

If approved by the CPUC's Commissioners, the investigation would consider information and proposals by SCE, SDG&E, CPUC staff, and others regarding the rates, operations, practices, programs, services, and facilities of SCE and SDG&E as

they relate to the outages of SONGS Unit 2 and 3. The issues that would be examined include:

- Whether or not rate adjustments should be made; if so, when they should start and the amount;
- The reasonableness of the actions and expenditures of SCE and SDG&E with respect to SONGS steam generator replacements and subsequent activities;
- The reasonableness of the actions and expenditures of SCE and SDG&E in securing energy, capacity, and other related services to replace the output of SONGS during the outage;
- The cost-effectiveness of various options for repairing or replacing one or both units of SONGS going forward;
- Any additional ratemaking issues associated with the above, including the availability of insurance or warranty coverage for any of the costs related to the SONGS outage; and,
- The reasonableness and necessity of each SONGS-related operation and maintenance expense, and capital expenditure made, on and after January 1, 2012, reviewed within the context of the facts and circumstances of the extended outages of Units 2 and 3.

The investigation would provide a forum to consider evidence and argument on these issues. Evidence taken in the proceeding would be the basis for findings, conclusions, and CPUC orders.

The proposal is available at
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M030/K511/30511880.pdf>.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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California Public Utilities Commission

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