BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation on the Commission's Own Motion into the Rates, Operations, Practices, Services and Facilities of Southern California Edison Company and San Diego Gas and Electric Company Associated with the San Onofre Nuclear Generating Station Units 2 and 3.

Investigation 12-10-013 (Filed October 25, 2012)

REPLY OF FRIENDS OF THE EARTH TO SOUTHERN CALIFORNIA EDISON'S RESPONSE TO THE OII

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December 10, 2012

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Pursuant to Appendix B to the Order Instituting Investigation ("OII") in this proceeding, Friends of the Earth (FOE) appreciates this opportunity to reply to one procedural point set forth in the Response of the Southern California Edison Company ("SCE") to the OII.

Specifically, on page 24 of its response, SCE alleges that the Commission should not make a policy decision in its current Long-Term Procurement Planning ("LTPP") proceeding (R.12-03-014) about whether the San Onofre plant will continue to operate, and, rather that said decision should be made as a result of facts adduced and determinations made in the OII. FOE strenuously disagrees with SCE on this point.

Contrary to SCE's apparent views, the issue of whether or not San Onofre will continue to operate is an indispensible issue in the LTPP proceeding. This is supported by the fact that one of the key scenarios that is likely to be evaluated in that proceeding will address the decommissioning of San Onofre. Indeed, a proposed Commission decision adopting "Early SONGS Retirement" as a modeling priority for Phase 2 of the LTPP was just issued on November 25, 2012. Assuming that the Commission adopts that proposed decision later this

month, a key question that will be explored in the LTPP starting early next year is what the long-term resource procurement preferences of the Commission-jurisdictional utilities, including SCE, should be in the absence of San Onofre.

Indeed, the fundamental purpose of the LTPP is to give the utilities guidance as to what their future resource procurement should be. Given that the future of San Onofre is a critical issue for the energy future of Southern California, without a decision in the LTPP that addresses the future or not of San Onofre, that proceeding will be essentially meaningless.

Respectfully submitted,

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