

**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)

**PREHEARING CONFERENCE STATEMENT OF FRIENDS OF THE EARTH**

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January 7, 2013

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On December 5, 2012, the assigned Administrative Law Judge in this proceeding scheduled a Prehearing Conference ("PHC") for January 8, 2013. Moreover, the October 25, 2012 Order Instituting Investigation ("OII") in this proceeding encouraged parties to submit PHC statements in advance of the PHC.

Last Friday, the Southern California Edison Company ("SCE") and the San Diego Gas & Electric Company ("SDG&E") submitted a joint PHC Statement that recommended this OII to be separated into four distinct phases, which would require well over two years to resolve. Friends of the Earth ("FOE") objects to certain aspects of the SCE/SDG&E PHC Statement.

As a general matter, the various schedules for the resolution of the issues in this proceeding that are set forth in the SCE/SDG&E PHC Statement are far too drawn out. FOE is prepared to make the case that San Onofre is not an economical source of electricity for Southern California in the short and long term. Accordingly, every day that goes by without a Commission ruling to the effect that San Onofre should cease operations permanently will cost

consumers unnecessarily large amounts of money and will impair overall system reliability by delaying the implementation of permanent measures to replace San Onofre. SCE's responsibility for the defective steam generators that caused San Onofre to be shut down needs to be addressed as soon as possible so that ratepayers can stop paying for equipment that is not operational.

FOE accordingly urges the assigned Commissioner and ALJ to allow this basic issue of the long-term future of San Onofre to be decided sooner rather than later, and in no event later than the end of 2013. The optimal way to achieve this important objective is for the issue of whether or not San Onofre will continue to operate to be taken up in the Commission's Long-Term Procurement Planning ("LTTP") proceeding, Docket No. R.12-03-014. We note that one of the key scenarios that is will be evaluated in that proceeding will address the permanent shut down of San Onofre. See, D.12-12-0\_\_, which adopted "Early SONGS Retirement" as a modeling priority for Phase 2 of the LTTP.

There is no way in which the Commission can determine the long-term energy needs in Southern California without a prompt determination of whether San Onofre will be operating in the future or not. The LTTP proceeding is scheduled to be completed in 2013, and this long-term issue can and should be taken up in the LTTP proceeding, in which the issue has already been squarely teed up for consideration. There is no reason for the Commission to delay its consideration of this critical issue, which the SCE/SDG&E PHC Statement would defer in an indeterminate fashion to "Phase D" of this proceeding. Rather, the critical issue of whether San Onofre will be operating over the longer term, or not, can and should be separated from the numerous financial issues that this OII will be required to address.

FOE accordingly urges the assigned Commissioner and ALJ to set a schedule for this proceeding that will authorize all of the issues relating to the long-term future of San Onofre, to

be formally consolidated with the consideration of the closely related issues in the LTPP, and to be decided by the end of 2013 within the context of that other proceeding.

Respectfully submitted,



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