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 UTILITY CONSUMERS' ACTION NETWORK

David A. Peffer, Esq. dpeffer@ucan.org UTILITY CONSUMERS ACTION NETWORK 3405 Kenyon Street, Suite 401 San Diego, CA 92110 Telephone: (619) 6196001

January 7, 2013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Pursuant to Rule 7.2 of the Commission's Rules of Practice and Procedure, the Utility Consumers' Action Network (UCAN) respectfully submits the following Prehearing Conference Statement.

I.

THE PROCEEDING SHOULD NOT BE BROKEN INTO PHASES

The Commission should deny San Diego Gas and Electric and Southern California Edison's request, presented the utilities' January 4, 2013 Prehearing Conference Statement, to divide this proceeding into four phases.

Rule 1.2 of the Commission's Rules of Practice and Procedure provides that Commission procedure should "secure just, speedy, and inexpensive determination of the issues presented." SDG&E provides no justification for its proposal to divide the proceeding into phases – a

proposal which, if adopted, would delay the resolution of the proceeding until the end of 2014 at the earliest. Adopting a phased approach would unnecessarily increase the cost of the proceeding without providing any clear benefit to the Commission, the public, or the parties.

Further, as the issues to be determined in this proceeding include "the cost-effectiveness of various options for repairing or replacing one or both units of SONGS," an issue whose resolution will determine whether SONGS is allowed to continue operating, and "The reasonableness and necessity of each SONGS-related operation and maintenance expense, and capital expenditure made, on or after January 1, 2002," the speedy and efficient resolution of this proceeding is essential to prevent the utilities from racking up unnecessary costs. A drawn-out, multi-phase approach is not conducive to such speedy and efficient resolution.

II.

THE OII ISSUE LIST SHOULD BE AMENDED TO ADDRESS THE POSSIBLITY OF DECOMMISSIONING

The issue list presented in the Order Instituting Investigation should be amended to directly address the possibility of decommissioning. The issue list currently implies the possibility of decommissioning – Issue 4 addresses the cost-effectiveness of the varying options for reparing or replacing one or both units of SONGS. If repair and replacement are not cost-effective, the utilities will have to decommission. Like the repair and replacement options, decommissioning has costs and benefits associated with it which must be fully explored and weighed against all available alternatives. As such, UCAN requests that Issue 4 be amended as follows:

4. The cost-effectiveness of various options for repairing, replacing, or decommissioning one or both units of SONGS.

The possibility of decommissioning one or both reactors raises an additional issue: the handling of any costs associated with decommissioning in excess of the utilities' decommissioning funds. As such, UCAN requests that an additional issue be added as follows:

7. Should one or both reactors be decommissioned, how the costs associated with decommissioning will be allocated.

Respectfully Submitted,

Dated: January 7, 2013 _____/S/

David A. Peffer, Esq. dpeffer@ucan.org

UTILITY CONSUMERS' ACTION NETWORK 3405 Kenyon Street, Suite 401

San Diego, CA 92110 Telephone: (619) 6966966