Pacific Gas and Electric Company®

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December 4, 2019

PG&E Letter DCL-19-082

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

10 CFR 50.75(f)(3)
10 CFR 50.82(a)(4)
10 CFR 50.82(a)(8)

Docket No. 50-275, OL-DPR-80
Docket No. 50-323, OL-DPR-82
Diablo Canyon Units 1 and 2
Diablo Canyon Power Plant, Units 1 and 2 – Site-Specific Decommissioning Cost Estimate

Reference:

1. PG&E Letter DCL-18-096, "Certification of Permanent Cessation of Power Operations," dated November 27, 2018 (ML18331A553)
2. PG&E Letter DCL-19-020, "Decommissioning Funding Report for Diablo Canyon Power Plant, Units 1 and 2," dated March 26, 2019 (ML19094B782)
3. PG&E Letter DCL-19-091, "Letter to Inform the NRC of the Submittal Date for the Post-Shutdown Decommissioning Activities Report, Site-Specific Decommissioning Cost Estimate, and Irradiated Fuel Management Plan," dated October 31, 2019 (ML19304C675)

Dear Commissioners and Staff:

Pacific Gas and Electric Company (PG&E) is submitting the site-specific decommissioning cost estimate (SSDCE) for Diablo Canyon Power Plant (DCPP), Units 1 and 2, pursuant to the requirements of 10 CFR 50.82(a)(4)(i) and 10 CFR 50.82(a)(8)(iii). The SSDCE also meets the requirements of 10 CFR 50.75(f)(3) for a preliminary decommissioning cost estimate. On November 27, 2018, PG&E informed the Nuclear Regulatory Commission (NRC) that it will permanently cease power operations at DCPP, Units 1 and 2 on November 2, 2024, and August 26, 2025, respectively (Reference 1).

Enclosure 1 contains the SSDCE for DCPP Unit 1 and Unit 2. A DCPP decommissioning cost estimate (DCE) was prepared by PG&E and submitted to the California Public Utilities Commission in 2018. This DCE was submitted to the NRC

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as part of the DCPP Decommissioning Funding Report in 2019 (Reference 2). Using the previously-submitted DCE, PG&E prepared the SSDCE to meet NRC guidance and industry precedent for SSDCE format and content. Enclosure 1 contains confidential information that should be withheld from public disclosure in accordance with 10 CFR 2.390. As required by 10 CFR 50.82(a)(7), PG&E will notify the NRC in writing, with copies sent to the State of California, before performing any decommissioning activity inconsistent with, or making any significant schedule change from, those actions and schedules described in the Post-Shutdown Decommissioning Activities Report (PSDAR), including changes that significantly increase the decommissioning cost.

Enclosure 2 contains the redacted version of the SSDCE for DCPP Unit 1 and Unit 2.

Enclosure 3 contains a Financial Information Affidavit pursuant to 10 CFR 2.390. The Affidavit sets forth the basis for which specific information included in Enclosure 1 may be withheld from public disclosure by the Commission and addresses the considerations listed in 10 CFR 2.390(b)(4). All documents within the scope of this affidavit are marked as "Confidential Information – Withhold Under 10 CFR 2.390."

The Irradiated Fuel Management Plan (IFMP) and PSDAR are being submitted concurrently with the SSDCE under separate cover letters. The technical, schedule, and cost information provided is consistent among these submittals.

In Reference 3, PG&E informed the NRC of a delay in submitting the PSDAR, SSDCE, and the IFMP. The reason for the delay was to allow additional time for external outreach and engagement associated with these key decommissioning submittals. PG&E has engaged with over 40 entities to discuss the submittals, including federal, state and local officials, key community leaders, the Diablo Canyon Decommissioning Engagement Panel, interested parties/intervenors, employees, and local media. This submittal satisfies the commitment to submit the SSDCE by December 6, 2019, as documented in the Enclosure of Reference 3.

PG&E makes no new or revised regulatory commitments (as defined by NEI 99-04) in this letter.

Should you have any questions, please contact Mr. Philippe Soenen at (805) 459-3701.

Sincerely,

James M. Welsch
Senior Vice President Generation and Chief Nuclear Officer

Enclosures
cc: Diablo Distribution
cc/enc: Scott A. Morris, NRC Region IV Administrator
Christopher W. Newport, NRC Senior Resident Inspector
Balwant K. Singal, NRR Senior Project Manager
Gonzalo L. Perez, California Department of Health Services (without Enclosure 1)

Pacific Gas and Electric Company
Confidential Financial Information Affidavit

Pacific Gas and Electric Company (PG&E) Confidential Financial Information Affidavit

Affidavit of Maureen R. Zawalick, Senior Director, Generation Regulatory, Risk Management, and Decommissioning of Pacific Gas and Electric Company.

The site-specific decommissioning cost estimate, contained in Enclosure 1 of this submittal, contains information that PG&E considers confidential. Release of the information could cause competitive harm during contract negotiations for execution of actual decommissioning work.

The basis for this declaration is:

i. This information is owned and maintained as confidential by PG&E.

ii. This information has been held in confidence by PG&E. To the extent that PG&E has shared this information with others, it has done so on a confidential basis.

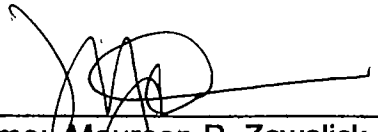
iii. This information is being requested to be withheld in confidence by the NRC by this petition.

iv. The information is not available in public sources.

v. Release of the information could cause competitive harm during contract negotiations for execution of actual decommissioning work.

vi. The information to be withheld is being transmitted to the NRC in confidence.

I, Maureen R. Zawalick, being duly sworn, state that I am the person who subscribes my name on the foregoing statement, I am authorized to execute the Affidavit on behalf of PG&E and that the matters and facts set forth in the statement are true to the best of my knowledge, information, and belief.



Name: Maureen R. Zawalick
Title: Senior Director, Generation Regulatory, Risk Management, and Decommissioning
Company: Pacific Gas and Electric Company

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF SAN LUIS OBISPO

On December 4. 2019
before me, Lola L. Wingate
a Notary Public, personally appeared
Maureen R. Zawalick

who proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under Penalty of Perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lola L. Wingate
Lola L. Wingate (805) 441-6972

LOLA L. WINGATE
COMM. # 2228604
NOTARY PUBLIC - CALIFORNIA
COUNTY OF SAN LUIS OBISPO
MY COMM. EXP. FEB. 8, 2022