



Comments on OTC Policy Adoption



May 4, 2010

Appreciation for many years of hard work

- Board members
- Board staff
- CPUC and CEC staff
- Environmental advocates
- California ISO

Refinements to cost-cost approach (Sec. D (8))

- **Clarify which costs were considered**
 - Those in Tetra Tech study; SED provides only annualized cost figures and not “total cost” as called for in Sec. D
- **Strike “cost per MWh amortized over 20 years”**
 - Not included in Tetra Tech; unclear how to consider
- **Clarify how the non-cost factors are included in the evaluation**
 - Separate from costs and apply a reasonableness test, or separately, feasibility (footprint, permitting of (b)) and benefits (other environmental impacts of (c))

Proposed changes to Sec. D (8)

(8) If the State Water Board finds that ~~the costs~~ for a specific *nuclear-fueled power plant** to implement Track 1 or Track 2, ~~considering all the factors set forth in paragraph (7),~~ **either 1) the costs** are wholly out of proportion to the costs ***developed in Tetra Tech's February 2008 feasibility report referenced in the SED, and*** considered by the State Water Board in establishing Track 1, **or 2) that compliance is not feasible in light of paragraph (7)(b) or the benefits of compliance are outweighed by the potential environmental impacts of paragraph (7)(c),** then the State Water Board shall establish alternate requirements for that *nuclear-fueled power plant**.

Refinements to Sec. D (nuclear study language)

- Independent third party conducting studies must have nuclear engineering and operations expertise
 - (2) The special studies shall be conducted by an independent third party, ***with extensive nuclear power plant engineering and operations expertise***, selected by the Executive Director of the State Water Board.
- Vet existing studies before ordering new ones:
 - (4) ~~No later than [one year after the effective date of this Policy]~~ ***Prior to requesting special studies to be conducted pursuant to this section***, the Review Committee, described above, shall provide a report for public comment detailing the scope of the special studies, including the degree to which existing, completed studies can be relied upon.

Coastkeeper changes to nuclear language

- No objection to:
 - Striking “(d) Any other relevant information.”
 - Addition of a public hearing and comment process
- We do object to the following deletion:
 - “The State Water Board shall establish alternative requirements no less stringent than justified by the wholly out of proportion ~~(i) cost or (ii) factor(s)~~ of paragraph 7.

unless some other language is added to provide consideration of factors D (7) (b) and (c).
- We have concerns over striking Track 2