

## Castro, Stacie M.

---

**From:** Randolph, Edward F. <edward.randolph@cpuc.ca.gov>  
**Sent:** Wednesday, January 30, 2013 7:24 PM  
**To:** Lindh, Frank; Clanon, Paul  
**Subject:** FW: Investigation 12-10-013  
**Attachments:** Motion for Party Status By California Attorney General Kamala D. Harris, On Behalf of The People of the State of California.pdf; Certificate of Service.PDF; CPUC - Service Lists I1210013.pdf

**Categories:** Red Category

Did you two see this today? The AG is asking for party status in the SONGS OII.

---

Edward Randolph | Director, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4004  
San Francisco, CA, 94102  
415-703-2083 | [edward.randolph@cpuc.ca.gov](mailto:edward.randolph@cpuc.ca.gov)

**From:** Carol Chow [<mailto:Carol.Chow@doj.ca.gov>]

**Sent:** Wednesday, January 30, 2013 4:20 PM

**To:** [mthorp@semprautilities.com](mailto:mthorp@semprautilities.com); [npedersen@hanmor.com](mailto:npedersen@hanmor.com); [douglass@energyattorney.com](mailto:douglass@energyattorney.com); [walker.matthews@sce.com](mailto:walker.matthews@sce.com); [jfwalsh@semprautilities.com](mailto:jfwalsh@semprautilities.com); [mseverson@amslawyers.com](mailto:mseverson@amslawyers.com); [thomaspcorr@gmail.com](mailto:thomaspcorr@gmail.com); [dpeffer@ucan.org](mailto:dpeffer@ucan.org); [swilson@riversideca.gov](mailto:swilson@riversideca.gov); [mtierney-lloyd@enernoc.com](mailto:mtierney-lloyd@enernoc.com); [robertgnaizda@gmail.com](mailto:robertgnaizda@gmail.com); [mdjoseph@adamsbroadwell.com](mailto:mdjoseph@adamsbroadwell.com); Tudisco, Laura J.; [matthew@turn.org](mailto:matthew@turn.org); [ek@a-klaw.com](mailto:ek@a-klaw.com); [nes@a-klaw.com](mailto:nes@a-klaw.com); [bcragg@goodinmacbride.com](mailto:bcragg@goodinmacbride.com); [ssmyers@att.net](mailto:ssmyers@att.net); [john.cummins@navy.mil](mailto:john.cummins@navy.mil); [lupsf@igc.org](mailto:lupsf@igc.org); [tam.hunt@gmail.com](mailto:tam.hunt@gmail.com); [john@dicksongeesman.com](mailto:john@dicksongeesman.com); [lchaset@keyesandfox.com](mailto:lchaset@keyesandfox.com); [tomb@crossborderenergy.com](mailto:tomb@crossborderenergy.com); [m.dorsi@d-e-c-a.org](mailto:m.dorsi@d-e-c-a.org); [wem@igc.org](mailto:wem@igc.org); [janreid@coastecon.com](mailto:janreid@coastecon.com); [dkates@sonic.net](mailto:dkates@sonic.net); [eselmon@jemzar.com](mailto:eselmon@jemzar.com); Peck, David B.; [klatt@energyattorney.com](mailto:klatt@energyattorney.com); [jleslie@mckennalong.com](mailto:jleslie@mckennalong.com); [lauren.duke@db.com](mailto:lauren.duke@db.com); [mfallon@taloncap.com](mailto:mfallon@taloncap.com); [rachel@consciousventuresgroup.com](mailto:rachel@consciousventuresgroup.com); [mrw@mrwassoc.com](mailto:mrw@mrwassoc.com); [mfallon@taloncap.com](mailto:mfallon@taloncap.com); [kfallon@sirfunds.com](mailto:kfallon@sirfunds.com); [dmoglen@foe.org](mailto:dmoglen@foe.org); [kulrich@foe.org](mailto:kulrich@foe.org); [greencowboysdf@gmail.com](mailto:greencowboysdf@gmail.com); [khojasteh.davoodi@navy.mil](mailto:khojasteh.davoodi@navy.mil); [priscila.castillo@ladwp.com](mailto:priscila.castillo@ladwp.com); [robert.pettinato@ladwp.com](mailto:robert.pettinato@ladwp.com); [rodney.luck@ladwp.com](mailto:rodney.luck@ladwp.com); [cfaber@semprautilities.com](mailto:cfaber@semprautilities.com); [bette@firstchoicedistributors.com](mailto:bette@firstchoicedistributors.com); [henry.weissmann@mto.com](mailto:henry.weissmann@mto.com); [rob.howard@uwua246.com](mailto:rob.howard@uwua246.com); [case.admin@sce.com](mailto:case.admin@sce.com); [paul.hunt@sce.com](mailto:paul.hunt@sce.com); [russell.archer@sce.com](mailto:russell.archer@sce.com); [russell.worden@sce.com](mailto:russell.worden@sce.com); [marthasullivan@mac.com](mailto:marthasullivan@mac.com); [dan.dominguez@uwua246.com](mailto:dan.dominguez@uwua246.com); [maguirre@amslawyers.com](mailto:maguirre@amslawyers.com); [snelson@sempra.com](mailto:snelson@sempra.com); [gbass@noblesolutions.com](mailto:gbass@noblesolutions.com); [svangoor@semprautilities.com](mailto:svangoor@semprautilities.com); [jwasito@magiscapital.com](mailto:jwasito@magiscapital.com); [stomec@capitalpower.com](mailto:stomec@capitalpower.com); [centralfiles@semprautilities.com](mailto:centralfiles@semprautilities.com); [wkeilani@semprautilities.com](mailto:wkeilani@semprautilities.com); [calconsumersalliance@gmail.com](mailto:calconsumersalliance@gmail.com); [bendavis54@gmail.com](mailto:bendavis54@gmail.com); [dhkorn@earthlink.net](mailto:dhkorn@earthlink.net); [jmauldin@adamsbroadwell.com](mailto:jmauldin@adamsbroadwell.com); [done7777@sbcglobal.net](mailto:done7777@sbcglobal.net); [bfinkelstein@turn.org](mailto:bfinkelstein@turn.org); [j4lr@pge.com](mailto:j4lr@pge.com); [sxpg@pge.com](mailto:sxpg@pge.com); [norman.furuta@navy.mil](mailto:norman.furuta@navy.mil); [jjaffe@nossaman.com](mailto:jjaffe@nossaman.com); [mmattes@nossaman.com](mailto:mmattes@nossaman.com); [cem@newsdata.com](mailto:cem@newsdata.com); [paul@deltagreens.org](mailto:paul@deltagreens.org); [tculley@kfwlaw.com](mailto:tculley@kfwlaw.com); [tlindl@kfwlaw.com](mailto:tlindl@kfwlaw.com); [dmarcus2@sbcglobal.net](mailto:dmarcus2@sbcglobal.net); [lwisland@ucsusa.org](mailto:lwisland@ucsusa.org); [clamasbabbini@comverge.com](mailto:clamasbabbini@comverge.com); [philm@scdenergy.com](mailto:philm@scdenergy.com); [marybeth@eon3.net](mailto:marybeth@eon3.net); [martinhomerc@gmail.com](mailto:martinhomerc@gmail.com); [cmkehrein@ems-ca.com](mailto:cmkehrein@ems-ca.com); [kdw@woodruff-expert-services.com](mailto:kdw@woodruff-expert-services.com); [sue.kateley@asm.ca.gov](mailto:sue.kateley@asm.ca.gov); [abb@eslawfirm.com](mailto:abb@eslawfirm.com); [kmills@cfbf.com](mailto:kmills@cfbf.com); Kotch, Andrew; Brown, Carol A.; Lukins, Chloe; Eustace, Claire; Gamson, David M.; Lee, Diana; Lafrenz, Donald J.; Randolph, Edward F.; Greene, Eric; Wong, John S.; Fitch, Julie A.; Darling, Melanie; Colvin, Michael; Yeo, Michael; Kito, Michele; Shapson, Mitchell; Rogers, Nika; Barnett, Robert A.; Haga, Robert; Pocta, Robert M.; Logan, Scott; Wilson, Sean; Khosrowjah, Sepideh; Burns, Truman L.; Katague, Ditas; [joan.walter@energy.ca.gov](mailto:joan.walter@energy.ca.gov); [mpryor@energy.state.ca.us](mailto:mpryor@energy.state.ca.us)  
**Cc:** Megan Hey; Brian Hembacher; Susan Durbin  
**Subject:** Investigation 12-10-013

Please find attached the following documents:

- Motion for Party Status by California Attorney General Kamala D. Harris, On Behalf of the People of the State of California

- Certificate of Service
- Service List

Regards,

Carol Chow  
Secretary to Megan Hey, DAG

**CONFIDENTIALITY NOTICE:** This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

**Castro, Stacie M.**

---

**From:** Michael Aguirre <maguirre@amslawyers.com>  
**Sent:** Thursday, February 07, 2013 3:58 PM  
**To:** edward.randolph@cpuc.ca.gov  
**Cc:** walker.matthews@sce.com  
**Subject:** FW: I.12-10-013-PROTESTOR RUTH HENRICKS' AND COALITION TO DECOMMISSION SAN ONOFRE'S MOTION FOR ORDER SETTING DEADLINE FOR COST APPLICATION  
**Attachments:** Motion Setting Deadline for Cost  
Application and Reasonableness Review.pdf; Motion Setting Deadline for Cost Application-Decl of MJA.pdf; Motion Setting Deadline for Cost Application-Proof of Service.pdf

**Categories:** Red Category

Mr. Randolph: SCE was required to file a cost application in reference to cost recovery for replacement steam generators at San Onofre Nuclear power plant (SGRP) under Decision 05-12-040. SCE represented to its shareholders and a federal agency that **"SCE completed the replacement of the steam generators at San Onofre Unit 2 and Unit 3 in April 2010 and February 2011, respectively."** (SCE 10K Page 24)

SCE used the vehicle of advice letters to put SGRP costs into SCE rates rather than the required cost application (see attachments). The attached motion asks for an order requiring SCE to pay back the rates collected in the form of reparations.

We ask also that you disallow SCE's request to recover in rates SGRP costs as SCE proposes to do in its Advice Letter 2834-E (see e.g. Table 1, Page 2 thereof)

Please read the record provided to you attached hereto carefully. If you concur with our reading of the record and applicable law please disallow SCE's Advice letter 2834-E to the extent it seeks to recover SGRP costs. Please return to SCE marked "not effective required to file cost application as per D.05-12-040)" that portion of Advice Letter 2834-E seeking to recover in rates SGRP costs.

Thank You for acting in the public interest as required by the laws of California. Mike Aguirre

**Subject:** I.12-10-013-PROTESTOR RUTH HENRICKS' AND COALITION TO DECOMMISSION SAN ONOFRE'S MOTION FOR ORDER SETTING DEADLINE FOR COST APPLICATION

Counsel and Interested Parties:

Attached please find PROTESTOR RUTH HENRICKS' AND COALITION TO DECOMMISSION SAN ONOFRE'S MOTION FOR ORDER SETTING DEADLINE FOR COST APPLICATION, ORDERING REASONABLENESS REVIEW,

AMENDING PHASE 1 SCHEDULE, TERMINATING SGRP COST COLLECTION, AND ORDERING RATEPAYER REPARATIONS and DECLARATION OF MICHAEL J. AGUIRRE.

If you have any problems with this transmission, please contact me.

Maria E. Byrnes, Legal Assistant  
AGUIRRE, MORRIS & SEVERSON LLP  
[mbyrnes@amslawyers.com](mailto:mbyrnes@amslawyers.com)  
[\(619\) 876-5364](tel:(619)876-5364)

## Castro, Stacie M.

---

**From:** Randolph, Edward F. <edward.randolph@cpuc.ca.gov>  
**Sent:** Friday, May 31, 2013 2:12 PM  
**To:** Clanon, Paul; Florio, Michel Peter; Peevey, Michael R.  
**Cc:** Walker, Cynthia; Khosrowjah, Sepideh  
**Subject:** Fwd: NRC Invitation to SONGS Discussion  
**Attachments:** List of Invited Individuals - State Officials.docx; ATT00001.htm

FYI, I received the following invite today.

Sent from a "smartphone" which helps us communicate but makes us illiterate.  
Edward Randolph

Begin forwarded message:

**From:** "Freeman, Denise" <[Denise.Freeman@nrc.gov](mailto:Denise.Freeman@nrc.gov)>  
**Date:** May 31, 2013, 3:08:25 PM EDT  
**To:** "Andersen, James" <[James.Andersen@nrc.gov](mailto:James.Andersen@nrc.gov)>, "Dorman, Dan" <[Dan.Dorman@nrc.gov](mailto:Dan.Dorman@nrc.gov)>  
**Subject:** NRC Invitation to SONGS Discussion

Invitation to State Officials:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), we would like to invite you to a small group discussion regarding the NRC review processes, procedures, and activities associated with a possible restart decision of Southern California Edison's (SCE's) San Onofre Nuclear Generating Station (SONGS) Unit 2. The NRC is offering these small group meetings as opportunities for productive discussions on how the NRC fulfills its regulatory mandate for protecting public safety and the environment.

This effort will consist of multiple small group discussions in California with: (1) state elected officials; (2) local elected officials; (3) environmental non-governmental organizations (NGOs); and (4) economic development, energy, and local union/building and trade representatives. As an identified and recognized community leader, we value your participation and encourage you to share the information with your constituency and the public at large. The discussions will include approximately 15-20 participants, with 3-4 NRC representatives and a facilitator. Our objective is to maintain this small group size to promote frank, two-way discussions and dialogue. As such, this invitation is for only one individual. If you are unable to attend, we welcome you to designate someone that can represent your organization or constituency.

These small group discussions will focus on process issues concerning the NRC's review, rather than specific areas of the staff's technical analysis. They do not replace the larger public meeting the staff will conduct. That meeting will occur after SCE has submitted, and the NRC staff has completed our inspection and technical evaluation of, their response to the NRC's Confirmatory Action Letter (CAL).

### Specific Details

**Time:** June 11, 2013  
2:00 – 4:00 p.m.

**Location:** Residence Inn by Marriott

33711 Camino Capistrano  
San Juan Capistrano, CA 92675

- Attendees: See attachment for other individuals invited to the discussion
- Format: Small group discussion, no webcast or phone participation
- RSVP to: E-mail James Andersen at [james.andersen@nrc.gov](mailto:james.andersen@nrc.gov) or call 301-415-3565 to provide who will be attending

The NRC has a public website dedicated to the oversight of SONGS at <http://www.nrc.gov/info-finder/reactor/songs/tube-degradation.html>. We encourage you and your constituents to use it as a resource for current status information. The NRC will continue its independent, in-depth inspections and detailed reviews of the issues at SONGS, take the time needed to determine the appropriate actions to ensure the safety of the public, and communicate its determinations to the public regarding the restart of SONGS, Units 2 and 3.

The NRC appreciates your insights and thanks you for your continued involvement in matters related to nuclear safety. You and your constituents' interest and feedback help us to fulfill our public health and safety mission in an open and transparent manner. If you have any questions, please contact James Andersen as noted above.

Daniel Dorman  
Co-Chair, SONGS Oversight Panel

James Andersen  
Co-Chair, SONGS Oversight Panel

Attachment:  
As Noted

**List of Invited Individuals**

**California Energy Commission**

- Chair Robert Weisenmiller

**California Public Utilities Commission (CPUC)**

- Ed Randolph

**California Assembly**

- Toni Atkins

## Castro, Stacie M.

---

**From:** Randolph, Edward F. <edward.randolph@cpuc.ca.gov>  
**Sent:** Friday, May 03, 2013 5:24 PM  
**To:** Peevey, Michael R.; Florio, Michel Peter; Clanon, Paul; Khosrowjah, Sepideh  
**Subject:** FW: SUNSI ATTACHED - SENSITIVE INTERNAL INFORMATION  
**Attachments:** 04-26-13 Ltr to Boxer and Markey CORR-13-0045.pdf  
  
**Importance:** High

This letter is interesting. As I read it, the earliest the NRC would let unit 2 restart would be August, and that is the optimistic time frame.

---

Edward Randolph | Director, Energy Division  
California Public Utilities Commission  
505 Van Ness Avenue, Room 4004  
San Francisco, CA, 94102  
415-703-2083 | [edward.randolph@cpuc.ca.gov](mailto:edward.randolph@cpuc.ca.gov)

---

**From:** Erickson, Randy [<mailto:Randy.Erickson@nrc.gov>]  
**Sent:** Friday, May 03, 2013 2:23 PM  
**To:** 'robert.weisenmiller@energy.ca.gov'; 'joan.walter@Energy.ca.gov'; 'tuckerj@san-clemente.org'; 'gudgeirssonp@san-clemente.org'; 'mcantor@sanjuancapistrano.org'; 'tom.amabile@sdcounty.ca.gov'; 'jkirchner@danapoint.org'; 'mrose@danapoint.org'; 'leslie.luke@sdcounty.ca.gov'; 'ssmallwood@pechanga-nsn.gov'; 'denise.banker@calema.ca.gov'; 'rkrauss@pechanga.com'; 'jfletcher@pechanga-pdc.com'; 'jkeeling@pechanga-nsn.gov'; 'fay.glass@fire.ca.gov'; 'rrandazzo@pechanga.com'; 'firflt@gmail.com'; 'joemadas@msn.com'; 'niki.vandenburgh@lajolla-nsn.gov'; 'cm@ci.irvine.ca.us'; 'lhall@lagunabeachcity.net'; 'dott@cosb.org'; 'skaminske@ocsd.org'; 'dboston@ocsd.org'; 'kbrust@sanjuancapistrano.org'; 'dchotkevys@danapoint.org'; 'assemblymember.atkins@assembly.ca.gov'; 'cfikes@surfcity-hb.org'; 'manager@cityoflagunaniguel.org'; 'tcasey@cityoflagunaniguel.org'; 'city-manager@cityofalisoviejo.com'; 'lkeane@lagunawoodscity.org'; 'citymanager@encinitasca.gov'; 'dector@sandiego.gov'; 'efr@cpuc.ca.gov'; 'richard.grundstrom@fema.dhs.gov'; 'cm1@cpuc.ca.gov'; 'john.wieczorek@calema.ca.gov'; 'Lynne.Olson@calema.ca.gov'; Erickson, Randy; 'roglesby@energy.ca.gov'; 'andy.shrader@lacity.org'; 'denise.tyrrell@cpuc.ca.gov'; 'citymanager@delmar.ca.us'; 'testell@cosb.org'; Howell, Art; Broaddus, Doug; [bill.potter@calema.cca.gov](mailto:bill.potter@calema.cca.gov)  
**Subject:** FW: SUNSI ATTACHED - SENSITIVE INTERNAL INFORMATION  
**Importance:** High

The attached letter is being forwarded on behalf of Bill Maier. This is a public document.



**Randy Erickson**  
**State Agreements Officer**  
**NRC Region IV**  
**(817) 200-1143 Phone**  
**(817) 200-1188 Fax**  
**(817) 676-4024 Cell**





CHAIRMAN

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

April 26, 2013

The Honorable Barbara Boxer  
Chairman, Committee on Environment  
and Public Works  
United States Senate  
Washington, D.C. 20510

Dear Madam Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of April 9, 2013, as a follow-up to my letter dated February 8, 2013. In your letter, you seek confirmation that we will complete our ongoing efforts to fully investigate the issues regarding steam generator tubes at the San Onofre Nuclear Generating Station (SONGS) and will provide a full opportunity for public participation before the NRC takes any action that could lead to any restart of SONGS. In particular, you express specific concerns about Southern California Edison's (Edison's) April 5, 2013 license amendment request for Unit 2.

I want to assure you that the NRC will not approve the amendment request unless it concludes there is reasonable assurance that public health and safety will not be endangered and that such approval will not be inimical to the common defense and security.<sup>1</sup> I also want to emphasize that even if the NRC approves a license amendment for SONGS Unit 2, that decision would not authorize restart of SONGS Unit 2. Edison must meet the terms of the NRC's March 27, 2012 Confirmatory Action Letter before returning SONGS Units 2 or 3 to service.

You have expressed concern about Edison's recent license amendment request for SONGS Unit 2 and opportunities for the public to participate in the license amendment review process. I want to assure you that the NRC recognizes the importance of providing opportunities for the public to be engaged in these matters. For example, at the most recent public meeting held on April 3, 2013, members of the public were able to ask questions on Edison's plans to submit the license amendment for more than 90 minutes.

Regarding Edison's license amendment request specifically, on April 16, 2013, the NRC published in the *Federal Register* a notice of this request. The public may request a hearing on the proposed amendment, and submit comments concerning the proposed "no significant hazards consideration" analysis and determination.

---

<sup>1</sup> The issuance of an amendment is governed by Section 189a of the Atomic Energy Act of 1954, as amended, which allows members of the public to request a hearing. Section 189a(2)(A) permits the NRC to make immediately effective any amendment to an operating license approved by the agency upon a determination by the Commission that such amendment involves "no significant hazards consideration," notwithstanding a request for a hearing or a hearing pending before the Commission. This determination does not prejudice the NRC's final public health and safety decision to grant or deny the amendment request.

The NRC will consider all public comments received within 30 days after the publication of the April 16, 2013 notice before making any final determination. The public has 60 days after the publication of the April 16, 2013 notice to request a public hearing on Edison's amendment request. In this matter, the NRC will not make a determination regarding approval of the license amendment, nor issue a final "no significant hazards consideration" determination, until at least 60 days after publication of the notice.

As I stated in my February 8 letter, the NRC continues to use a variety of regulatory actions to ensure that the agency comprehensively addresses the issues that have arisen at SONGS. Among its actions in this regard, the agency is actively assessing Edison's response to the Confirmatory Action Letter and subsequent NRC requests for additional information. The staff is also conducting inspections and completing its technical review of operational assessments for the steam generators. Consistent with my October 12, 2012 letter, please be assured that the NRC will continue these independent, in-depth inspections and detailed technical reviews of the issues at SONGS, and will not permit SONGS Units 2 or 3, respectively, to restart until the agency has concluded that that the respective unit is safe to operate and is in compliance with NRC regulations.

Both the NRC Office of Investigations (OI) and the NRC Office of the Inspector General (OIG) are conducting independent investigations at SONGS. Each of these ongoing investigations focuses on allegations of wilful wrongdoing and is separate in scope and purpose from the NRC staff's ongoing safety evaluations. While these investigations are not focused on technical safety issues concerning the steam generators at SONGS, let me be clear that any information that appears to have the potential to impact public health and safety will be immediately provided by the investigators to the NRC staff.

Information from ongoing investigations is sensitive and not publicly released. The NRC staff, however, will document in its technical safety evaluations and determinations information it considered and evaluated.

Finally, I am conducting weekly status meetings with the NRC staff to be kept apprised of all the steps the agency is taking to ensure public safety with regard to SONGS. Our Office of Congressional Affairs will continue to update your staff regarding NRC actions, planned public meetings, and other new information related to SONGS. If you need any additional information, please contact me or Rebecca Schmidt, Director of the Office of Congressional Affairs, at (301) 415-1776.

Sincerely,



Allison M. Macfarlane

cc: Senator David Vitter

Identical letter sent to:

The Honorable Barbara Boxer  
Chairman, Committee on Environment  
and Public Works  
United States Senate  
Washington, D.C. 20510  
cc: Senator David Vitter

The Honorable Edward J. Markey  
Ranking Member, Committee on  
Natural Resources  
United States House of Representatives  
Washington, D.C. 20515

Originating Office: OCM  
Ref: CORR-13-0045-Revised  
Commission Correspondence

AMM – Approved  
KLS – Approved/edits  
GA – Approved/edits  
WDM – Approved/edits  
WCO – Approved/edits

ADAMS Accession No.: ML13101A066

OFC	SECY	OGC	OCA	OCM/COS/AMM	OCM/AMM
	A.Lewis <i>me</i>	M. Doane <i>me</i>	<i>me</i>		A. Macfarlane
DATE	04/25/13	04/25/13	04/24/13	04/ /13	04/26/13

OFFICIAL RECORD COPY

**Congress of the United States**  
Washington, DC 20510

April 9, 2013

The Honorable Allison M. Macfarlane  
Chairman  
U.S. Nuclear Regulatory Commission  
11555 Rockville Pike  
Rockville, MD 20852

Dear Chairman Macfarlane,

We are writing to request that you immediately confirm that the Nuclear Regulatory Commission (NRC) will take no action that could lead to any restart of the San Onofre nuclear power plant before the Commission completes its comprehensive investigation and provides a full opportunity for public participation.

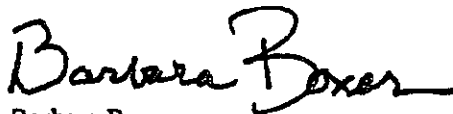
Southern California Edison (SCE) is seeking to shortcut the license amendment process by urging the NRC to declare that a license amendment that would enable the restart of the San Onofre facility at 70% power involves no significant hazards. We believe that granting this request would put public safety at risk.

SCE's request to weaken its license requirements was made despite evidence showing that there could be a significant hazard from the operation of the deficient steam generators. We have already seen the unacceptable results of short circuiting safety reviews at San Onofre, and you provided assurances in a letter dated October 12, 2012, of the "Commission's commitment that the agency will not allow restart at [San Onofre] until the investigation is completed and the facility is safe to operate."

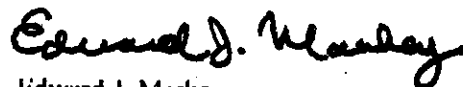
The NRC must complete its expansive investigation and safety review before making any preliminary or final decisions regarding a license amendment that could enable the restart of San Onofre, including the Unit 2 reactor. Anything less than that would fall far short of the kind of consideration the 8 million people who live within 50 miles of the San Onofre facility deserve.

We ask that you respond to this letter before the NRC takes any actions related to SCE's license amendment or restart plan. In light of SCE's efforts to expedite the restart of the plant, we would appreciate a response by close of business on April 10, 2013. If you have any questions, please have your staff contact Grant Cope of Chairman Boxer's staff at 202-224-8832 or Dr. Michael Freedhoff of Rep. Markey's staff at 202-225-2836.

Sincerely,



Barbara Boxer  
Chairman  
Senate Committee on Environment and Public Works



Edward J. Markey  
Ranking Member  
House Natural Resources Committee

**Castro, Stacie M.**

---

**From:** Peevey, Michael R. <michael.peevey@cpuc.ca.gov>  
**Sent:** Monday, January 28, 2013 11:17 AM  
**To:** Randolph, Edward F.  
**Cc:** Clanon, Paul  
**Subject:** RE: CPUC NEWSCLIPS for Monday, January 28, 2013

**Categories:** Red Category

I am not sure what your "they" refers to, but yes, I think Unit 2 will be online at 70% power by July, thus covering the most likely hottest period (July through September). Unit 3, no way.

---

**From:** Randolph, Edward F.  
**Sent:** Monday, January 28, 2013 10:56 AM  
**To:** Peevey, Michael R.  
**Cc:** Clanon, Paul; Randolph, Edward F.  
**Subject:** Re: CPUC NEWSCLIPS for Monday, January 28, 2013

Do they think there is any chance they are online this summer at this point?

On Jan 28, 2013, at 10:42 AM, "Peevey, Michael R." <michael.peevey@cpuc.ca.gov> wrote:

> I had dinner with Ron L Friday night and he told me then that the NRC had just informed Edison of this further delay, which Ron said was for an additional 30 days.

>

> \_\_\_\_\_

> **From:** Clanon, Paul  
> **Sent:** Monday, January 28, 2013 10:26 AM  
> **To:** Peevey, Michael R.; Randolph, Edward F.  
> **Subject:** Re: CPUC NEWSCLIPS for Monday, January 28, 2013

>

> NRC decision on Unit 2 pushed out again:

>

> "The U.S. Nuclear Regulatory Commission has pushed back the date when it could make a decision on the fate of the San Onofre nuclear plant.

>

> . . .

>

> The commission had previously said it might make a decision as soon as March. But it is now projecting a late April or early May date."

>

>

> On Jan 28, 2013, at 10:14 AM, "Chow, Christopher"  
<christopher.chow@cpuc.ca.gov<mailto:christopher.chow@cpuc.ca.gov>> wrote:

>

**Castro, Stacie M.**

---

**From:** Randolph, Edward F. <edward.randolph@cpuc.ca.gov>  
**Sent:** Monday, January 28, 2013 10:56 AM  
**To:** Peevey, Michael R.  
**Cc:** Clanon, Paul; Randolph, Edward F.  
**Subject:** Re: CPUC NEWSCLIPS for Monday, January 28, 2013

Do they think there is any chance they are online this summer at this point?

On Jan 28, 2013, at 10:42 AM, "Peevey, Michael R." <michael.peevey@cpuc.ca.gov> wrote:

> I had dinner with Ron L Friday night and he told me then that the NRC had just informed Edison of this further delay, which Ron said was for an additional 30 days.

>

> \_\_\_\_\_

> From: Clanon, Paul

> Sent: Monday, January 28, 2013 10:26 AM

> To: Peevey, Michael R.; Randolph, Edward F.

> Subject: Re: CPUC NEWSCLIPS for Monday, January 28, 2013

>

> NRC decision on Unit 2 pushed out again:

>

> "The U.S. Nuclear Regulatory Commission has pushed back the date when it could make a decision on the fate of the San Onofre nuclear plant.

>

> . . .

>

> The commission had previously said it might make a decision as soon as March. But it is now projecting a late April or early May date."

>

>

> On Jan 28, 2013, at 10:14 AM, "Chow, Christopher"

<christopher.chow@cpuc.ca.gov<mailto:christopher.chow@cpuc.ca.gov>> wrote:

>

>

> CPUC NEWSCLIPS

> For January 28, 2013

>

> For newsclips help, contact Christopher Chow (crs) at 415-703-2234

> Newsclips also available on Intranet<ftp://epuc/NewsClips/> in .doc format

>

> To follow a link, hold CTRL, then click with left mouse button

> To return to the top, hold CTRL, then press the "Home" key or click a Back to Table of Contents link

>

> -----

>

> TABLE OF CONTENTS

>

>

> ENERGY – California

>

> Los Angeles Times - World's megacities may influence global weather

>

> Sacramento Bee (commentary) - How far is too far in promoting solar?

>

> San Francisco Chronicle - Painted gnomes bring smiles in Oakland

>

> Energy Online - CPUC Approves 150-MW solar-Thermal Project in California

>

> Los Angeles Times - Nuclear commission pushes back decision on San Onofre

>

> Pacific Sun - County to extend smart meter moratorium?

>

> Orange County Register - San Juan Capistrano leaders, residents use meeting to object to SDG&E power plan

>

> San Jose Mercury News (commentary) - California utilities are fighting solar progress

>

> TELECOM – California

>

> VIDEO – California

>

> TRANSPORTATION – California

>

> Los Angeles Times - California still hasn't bought land for bullet train route

>

> San Francisco Chronicle (commentary) Gov. Brown does the Sacramento choo-choo

>

> WATER – California

>

> Sacramento Bee - Jerry Brown's water plan faces mixed reviews

>

> San Gabriel Valley Tribune (Commentary) - Can Gov. Brown make old things new?

>

> NeighborWebSJ.com - East San Jose Coalition Fighting Proposed Water Rate Increases of 44% Over 3 Years

>

> Claremont-LaVerne Patch (Letter to the Editor) - Claremont Residents' Scrutinize Water Company's Rates

>

> Merced Sun-Star - California water groups want state to study smaller tunnel

>

> UT- San Diego (Union-Tribune) - A new water fight — over global warming

>

> ENERGY – National

>

> TELECOM – National

>

> San Francisco Chronicle (commentary) - U.S. Internet speed better but still lags

>

> TRANSPORTATION – National



- >
- > Wall Street Journal - Travis Kalanick: The Transportation Trustbuster
- >
- > WATER – National
- >
- > Politics/General/Miscellaneous – National
- >
- > Sacramento Bee - Moderate Michael Rubio takes on California's environmental law
- >
- > Los Angeles Times (Capitol Journal) - Brown's two key sentences
- >
- > San Francisco Chronicle - Major climate changes looming
- >
- > -----
- >
- >
- >
- > ENERGY – California
- >
- >
- >
- > Los Angeles Times - World's megacities may influence global weather
- > By Monte Morin<[http://www.google.com/search?hl=en&gl=us&tbn=nws&q=California+Public+Utilities+Commission&oq=California+Public+Utilities+Commission&gs\\_l=news-cc.3..43j43i400.5642.14091.0.14715.54.7.1.43.31.0.177.547.4j2.6.0...0.0...1ac.1.4dMykRJ1kzc](http://www.google.com/search?hl=en&gl=us&tbn=nws&q=California+Public+Utilities+Commission&oq=California+Public+Utilities+Commission&gs_l=news-cc.3..43j43i400.5642.14091.0.14715.54.7.1.43.31.0.177.547.4j2.6.0...0.0...1ac.1.4dMykRJ1kzc)>, January 28
- >
- > Heat generated by the Earth's major cities has influenced global weather patterns and is probably responsible for winter warming in parts of North America and northern Asia, according to scientists.
- >
- > So-called waste heat produced by human activities in major urban centers has altered aspects of the jet stream and other atmospheric systems, causing significant warming in some regions and cooling in others, according to a study published recently in Nature Climate Change.
- >
- > "What we found is that energy use from multiple urban areas collectively can warm the atmosphere remotely, thousands of miles away from the energy consumption regions," said lead author Guang Zhang, a research meteorologist at Scripps Institution of Oceanography in La Jolla. "This is accomplished through atmospheric circulation change."
- >
- > This heating, according to study authors, is separate from the planetary warming caused by greenhouse gases, as well as the so-called urban heat island effect. The heat island phenomenon occurs when heat is stored and re-radiated by expanses of asphalt, concrete and other building materials, making urban areas warmer than rural areas.
- >
- > Overall, the waste heat produced by the globe's cities is small. However, the heat is highly concentrated, and in many cases, positioned directly beneath major atmospheric troughs and ridges, according to study authors.
- >
- > In Russia and northern Asia, the effect can increase temperatures by almost 2 degrees Fahrenheit during the winter. In the northeastern U.S. and southern Canada, the effect has raised winter temperatures by more than a degree, authors say.
- >
- > Zhang, along with colleagues Ming Cai, a meteorology professor at Florida State University, and Aixue Hu, an oceanographer at the National Center for Atmospheric Research, used computer models to map the effects of waste heat. Among the effects they observed in models was a widening of the jet stream.

- >
- > They suggest that their findings be incorporated into climate warming models.
- >
- > The idea that heat produced by daily urban activities could influence weather across the planet is not new; it was introduced about 50 years ago. However, authors said the theory was largely forgotten until recently.
- >
- > The authors also noted that their estimates were conservative.
- >
- > "We consider only megacities with large energy consumption," the authors wrote. "The climate response to this anthropogenic energy source may be in the lower bound of the plausible climate impact."
- >
- > Back to the Table of Contents
- >
- >
- >
- > Sacramento Bee (commentary) - How far is too far in promoting solar?
- > By Peter Asmus<<http://www.sacbee.com/2013/01/27/5141865/how-far-is-too-far-in-promoting.html>>, January 27
- >
- > Like anything in life, there are always two sides to every story. Take the case of net metering, a policy that allows homeowners and commercial entities with solar photovoltaic panels on their roofs to barter electricity with their utility company.<<http://topics.sacbee.com/utility+company/>>
- >
- > At night, when virtually all of us are drawing power from the utility grid, your meter measuring consumption spins forward, adding to your monthly utility bill. During the day, if you have a solar panel on your rooftop and the sun is shining, the meter would instead spin backward under net metering, taking demand for power off the utility system.
- >
- > Utility companies<<http://topics.sacbee.com/Utility+companies/>> complain that this policy – which is the dominant approach to promoting solar energy in the United States – is unfair to customers who do not have solar panels.
- >
- > The utilities complain that net metering is a way for wealthy customers who can afford solar photovoltaic, or PV, systems on their rooftops to avoid paying their fair share of the costs incurred to run the distribution and transmission grid that benefits us all. Net metering therefore reduces the fees they otherwise would be charged to maintain the grid.
- >
- > Apparently, the perception that solar PV systems are toys for the rich in Malibu or Marin is no longer true. "Solar PV is no longer for the wealthy," points out Ed Fenster, co-founder of Sunrun Inc., one of a new breed of solar companies that will lease you solar PV systems, often for no money down. In the process, these solar PV systems can save you money while reducing air pollution<<http://topics.sacbee.com/air+pollution/>> linked to power production.<<http://topics.sacbee.com/power+production/>> Thanks to this recent solar lease model, two-thirds of solar PV installations over the last three years in California have occurred in ZIP codes with median income of less than \$85,000, clearly not the wealthiest regions in the state.
- >
- > Fenster said that the poorest of California ratepayers are insulated from possible cost shifts from solar PV adoption due to ratepayer protections afforded in the California Alternative Rates for Energy program, which, generally speaking, offers 20 percent discounts to low-income households.
- >
- > In California, the nation's most successful solar market, the state's three investor-owned utilities have calculated that solar photovoltaic systems that will be added to the state's grid by 2015 under net metering will add up to approximately \$1.3 billion in increased electricity costs for the state's ratepayers without their own solar PV systems.
- >
- > Here's how that more than a billion dollars is split among the state's three investor-owned utilities:
- > • San Diego Gas & Electric:<<http://topics.sacbee.com/San+Diego+Gas+%26+Electric/>> \$200 million.
- > • Southern California Edison:<<http://topics.sacbee.com/Southern+California+Edison/>> \$400 million

> • Pacific Gas & Electric:<<http://topics.sacbee.com/Pacific+Gas+%26+Electric/>> \$700 million

>

> New study touts net metering

> To fans of solar energy, net metering is a phenomenal success story. According to a report by Crossborder Energy consultants released this month, net metering actually provides more than \$92 million in benefits to ratepayers of PG&E, SCE and SDG&E. Interestingly enough, the report claims that the majority of the benefits of solar PV flow to customers who do not have solar on their rooftops, since they reap the benefits of reduced demand on utility grids, lowering overall system costs.

>

> PG&E claims the study is bogus. The wrong natural gas price forecast was used, which means solar PV is less economical, since natural gas prices<<http://topics.sacbee.com/gas+prices/>> have dropped an additional 20 percent from the prices used by Crossborder, largely due to the controversial practice of fracking. That's just one in a long list of esoteric assumptions behind competing calculations of costs and benefits.

>

> The biggest bone of contention, however, is that the Crossborder Energy study looked at just 30 percent of the total power exported to the grid by a solar PV panel under typical circumstances. The remaining 70 percent is usually consumed on site, at the house or business. PG&E, and its utility brethren, claim the entire output of the system should be counted when number crunching on the magnitude of a cost shift.

> "The Crossborder study was funded by Vote Solar, who work to allow strong solar markets to grow, but without any balancing concerns about who pays that cost," said Denny Boyles of PG&E's external communications department. "Over the long term, PG&E seeks a sustainable solar market to provide our customers with choices, while being cognizant of the rate impacts solar installations can have on other customers."

>

> Bringing this issue to a boil is a state law that places a cap on net metering that, thanks to a ruling by the California Public Utilities Commission,<<http://topics.sacbee.com/California+Public+Utilities+Commission/>> is now higher than originally thought: 5,700 megawatts of solar PV, or the equivalent amount of potential power that could be produced by more than six Rancho Seco nuclear reactors. At present, the amount of net metered solar PV feeding into California's grid is just under 2,000 megawatts, which, due to the intermittency of solar, is less than 0.4 percent of utility total power demand in the state.

>

> While a victory of sorts for solar power, the PUC ruling would also end the net metering program as of Jan. 1, 2015. PG&E is expecting that the number of solar PV customers using net metering within its service territory will reach its cap of 5 percent of its systemwide peak demand for electricity this year, hence its particularly aggressive stance on net metering. Even in the Crossborder Energy study, PG&E customers are singled out as the only ratepayers in California subjected to any cost shifting from those with solar to those without.

>

> To put this issue in context, consider that state rebates to install solar PV are declining to near zero under the California Solar Initiative program, a 10-year program designed to wean the solar industry off subsidies. Solar PV costs are declining to near the utilities' retail price for electricity. Though consumers throughout the United States can still access a federal investment tax credit, the need for an additional state subsidy has shrunken over time. Yet in order for consumers to fully maximize the value of their solar systems, net metering is now more important than ever before.

> "Utilities such as PG&E see the writing on the wall as solar PV is being installed at costs near parity with generic, dirty grid power," commented Adam Browning, executive director of Vote Solar, a nonprofit solar advocate. As state subsidies<<http://topics.sacbee.com/state+subsidies/>> run out, "there is no other way than net metering to capture the value these solar PV systems bring to California's grid."

>

> Who's right, who's wrong?

>

> As anyone who has put together an Excel spreadsheet knows, numbers can say very different things based on one's assumptions. Dueling studies and statistics highlight how beauty clearly lies in the eye of the beholder. The PUC, thanks to Assembly Bill 2514, is now performing its own study on cost shifts, which the solar industry claims is based on a

methodology skewed to make solar look bad. Though not required to be released until October, rumor has it the study is being rushed out the door, setting up a major battle in the Legislature over net metering as early as this spring.

>

> The solar industry is not fully united on the topic of net metering. Some, such as Craig Lewis, <<http://topics.sacbee.com/Craig+Lewis/>> executive director of the CLEAN coalition, a Palo Alto-based nonprofit promoting local energy solutions, claim there is a better way. Lewis likes the model that has flourished in European countries, such as Germany. It is called a "Feed-in Tariff," which pays consumers for the power they generate as it flows onto the grid just like any other power source.

>

> "I think both the utilities and net metering advocates are right," said Lewis, acknowledging that calculating cost shifts and benefits attached to net metering is incredibly complicated.

>

> "If taken to the extreme, net metering could lead to a downward spiral death for utilities," he warned.

> Interestingly enough, the Sacramento Municipal Utility

District <<http://topics.sacbee.com/Sacramento+Municipal+Utility+District/>> has just deployed the feed-in tariff model and added almost 100 megawatts of new solar PV over the past two years at a cost of 14 cents per kilowatt-hour. For comparison purposes, SMUD has added 34 megawatts of solar PV on rooftops through net metering.

>

> The vast majority of solar PV developed across the globe relies upon feed-in tariffs, though there is a backlash occurring against this policy as well. Take the case of Germany, where payments to consumers for rooftop solar PV was two to three times what is paid in the United States, but where the actual cost for installation is a third of what it is here. Germany is restructuring its incentives so that more power is consumed on-site, reducing feed-in tariff rates <<http://topics.sacbee.com/tariff+rates/>> by as much as 26 percent. The purpose of the cuts is to shrink the size of solar PV systems, limiting the power flowing beyond the site owner's property and into the grid, a goal that aligns with the basic concept of net metering.

>

> SMUD is not the only California utility developing significant solar PV without net metering. PG&E, SCE and SDG&E also have been authorized by the PUC to build and own solar PV that will add up to 1,100 megawatts. They can charge up to 28 cents per kilowatt-hour, double what SMUD just paid for solar PV, and costs which are spread over all of its ratepayers, whether they like solar or not.

>

> There are two sides to every story. In the end, it is likely that there are some small cost shifts with net metering, but there are benefits to the power grid <<http://topics.sacbee.com/power+grid/>> as well. When you consider that ratepayers in Southern California are paying utilities \$1 billion over the course of a year for a shuttered San Onofre nuclear power plant that is not producing any power at all, any cost shift appears to be a small price to pay for democratizing our power supply with solar energy, rooftop by rooftop.

>

> Back to the Table of Contents

>

>

>

>

> San Francisco Chronicle - Painted gnomes bring smiles in Oakland

>

> By Carolyn Jones, <<http://www.sfgate.com/bayarea/article/Painted-gnomes-bring-smiles-in-Oakland-4226330.php>> January 26

>

>

> It's not crime policy or politicians that will save Oakland. It's little men with white beards and pointy hats.

>

> An army of gnomes have fanned through the heart of the city, bringing joy and wonderment to residents who've been besieged of late with public safety vitriol and other urban ills.

>

> "When you see these whimsical, magical little creatures, you're reminded what an incredible city Oakland is, that's it's more than just crime," said C.J. Hirschfield<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22C.J.+Hirschfield%22>>, director of Children's Fairyland. "Plus, they're just plain adorable."

>

>

>

> The gnomes are colorful hand-painted figures on 6-inch brown wooden boards, often screwed to the base of utility poles. Some are waving. Some wear kilts. A rare few are accompanied by mushrooms.

>

> No one but the gnomes know who creates them, or why. According to neighborhood lore, they first sprung forth near Leaning Tower of Pizza on Wesley Avenue at least a year ago, but in the past six months have proliferated on utility poles throughout Haddon Hill, Adam's Point and as far away as East 18th Street.

>

> A rough census count puts them in the hundreds. They all sport red hats, brown boots and shiny gold buckles, and a certain respect for the environment. They're screwed, not nailed, to poles, and are never affixed to trees.

>

> The pooh-bahs at Pacific Gas & Electric - which owns some of the poles on which the gnomes dwell - are less than enchanted, however.

>

> PG&E plans removal

>

> In fact, staff threatened to exterminate them.

>

> "We'll be dispatching a crew to remove them," said utility spokesman Jason King<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22Jason+King%22>>. "We can't have anything that could compromise the integrity of our equipment. ... The concern is that the gnomes could inspire additional people to place things on our property."

>

> But for now, the gnomes are smiling. Cherished, in fact. They've inspired photo essays, websites, gnome-hunting expeditions and much neighborhood chatter.

>

> "They're universally loved," said David Colburn<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22David+Colburn%22>>, a photographer who lives near the lake and who has documented the gnomes on his website. "I like the mystery, and the fact they're subtle. Most people would walk right past them unless they knew to look."

>

> That's their primary appeal, said Shannon Taylor<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22Shannon+Taylor%22>>, art and restoration director at Fairyland and a gnome enthusiast. The gnomes force passers-by to slow down and pay attention to the magic unfolding quietly around them, she said.

>

> That's undoubtedly the intention of the artist, she said. Similar anonymous and almost hidden art has appeared in London and other cities, giving observers a certain treasure-hunt thrill upon sightings, she said.

>

> "You can only get so far by talking loudly. It's the person who's whispering who's going to get your attention," she said. "And gnomes are kind of funny and kitschy. Benign creatures accessible to everyone. Who doesn't like gnomes?"

>

> Actually, maybe Oakland should be wary of the sudden gnome onslaught. Miniature humanoid creatures - leprechauns, fairies, gnomes and the like - usually mean trouble, said Dara

Hellman<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22Dara+Hellman%22>>, a Celtic studies instructor at UC Berkeley.

>  
> "At best, they're neutral. At worst, they're malevolent," said Hellman. "Never make a deal with a small supernatural being. It's always a bad deal."

>  
> Gnomes and their cousins have figured in virtually every culture, across the planet, as long as people have dreamed of worlds other than ours, whether it's heaven or the rabbit hole. They're usually tiny, mischievous versions of ourselves, someone on which to blame life's minor calamities, she said.

>  
> 'Totally welcome here'

>  
> Gnomes in particular apparently date from 16th century Switzerland. The Swiss scientist and occultist Paracelsus described little men who live in the earth as "gnomi." A few centuries later, gnomes showed up prominently in children's literature, and in the 19th century the English went crazy for garden gnomes, ostensibly to keep gardens safe from burrowing troublemakers, Hellman said.

>  
> In Oakland, so far the gnomes appear to be friendly. At the Haddon Hill Cafe, a pair of gnomes have turned up on the windowsill, delighting customers and staff.

>  
> "People love tracking them," said owner Isaac Lim<<http://www.sfgate.com/?controllerName=search&action=search&channel=bayarea&search=1&inlineLink=1&query=%22Isaac+Lim%22>>. "They're cool to have around. They're totally welcome here."

>  
>  
> Back to the Table of Contents<<https://mail.cpuc.ca.gov/owa/UrlBlockedError.aspx>>

>  
>  
>  
>  
>  
>  
> Energy Online - CPUC Approves 150-MW solar-Thermal Project in California  
> By Staff<[http://www.energyonline.com/Industry/News.aspx?NewsID=7618&CPUC\\_Approves\\_150-MW\\_solar-Thermal\\_Project\\_in\\_California](http://www.energyonline.com/Industry/News.aspx?NewsID=7618&CPUC_Approves_150-MW_solar-Thermal_Project_in_California)>, January 25

>  
> The California Public Utilities Commission (CPUC) approved a power purchase agreement (PPA) for PG&E Corp., the owner of California's largest utility, to receive power from a 150-MW solar-thermal project in California's Sonoran Desert.

>  
> The developer of the Solar Rice Energy Project is SolarReserve LLC., and the term of the PPA is 25 years, commencing June 1, 2016. SolarReserve originally announced the agreement with PG&E in December 2009.

>  
> The solar project will be constructed on approximately 1,500 acres of private land near Blythe. The project will use a concentrated solar power (CSP) design with molten salt storage technology from Pratt & Whitney Rocketdyne.

>  
> Thousands of mirrors will focus sunlight onto a central tower containing molten salt, which is heated from 500 to over 1,000 degrees Fahrenheit. When electricity is needed, day or night, the high-temperature molten salt flows into the steam generator, as water is piped in from the water storage tank, to generate steam. After the steam is used to drive the steam turbine to generate power, the steam is condensed back to water and returned to the water holding tank, where it flows back into the steam generator when needed.

>

- > Once the hot salt is used to create steam, the cooled molten salt is then piped back into the cold salt storage tank, where it will then flow back up the receiver to be reheated as the process continues.
- >
- > The molten salt system includes as much as 10 hours of energy-storage capability. The estimated cost is approximately \$600 million, and construction may begin early next year, according to the CEO of SolarReserve.
- >
- > In September 2011, SolarReserve began construction in Nevada on a similar project, the 110-MW Crescent Dunes Project, which is scheduled to be completed late this year.
- >
- > Back to the Table of Contents<<https://mail.cpuc.ca.gov/owa/UrlBlockedError.aspx>>
- >
- >
- >
- > Los Angeles Times - Nuclear commission pushes back decision on San Onofre
- > By Abby Sewell<[http://latimesblogs.latimes.com/lanow/2013/01/san-onofre-timeline.html?utm\\_source=feedburner&utm\\_medium=feed&utm\\_campaign=Feed%3A+lanowblog+%28L.A.+Now%29](http://latimesblogs.latimes.com/lanow/2013/01/san-onofre-timeline.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+lanowblog+%28L.A.+Now%29)>, January 25
- >
- > The U.S. Nuclear Regulatory Commission has pushed back the date when it could make a decision on the fate of the San Onofre nuclear plant.
- >
- > The plant has been shut down for nearly a year because of issues with unusual wear on its steam generator tubes, which carry radioactive water. The NRC is weighing a proposal by plant operator Southern California Edison to restart one of the two units and run it at partial power, which the company says would alleviate the conditions that led to the wear.
- >
- > The commission had previously said it might make a decision as soon as March. But it is now projecting a late April or early May date.
- >
- > NRC spokesman Victor Dricks said the timeline was extended because additional on-site inspections were required. The schedule remains tentative, he said.
- >
- > Edison said in a statement: "As we have said from the beginning, there is no timeline on safety. SCE is confident in its submitted response and restart plan and is currently working on our response to technical questions from the NRC."
- >
- > It would take several weeks to restart the plant if the NRC gives the go ahead, meaning that the unit could potentially be back online by summer.
- >
- > Southern California got through last summer without blackouts in the absence of San Onofre's 2,200 megawatts of power, but some of the measures taken to replace the plant were temporary. Energy officials have been working on a backup plan for this summer, should the plant remain out of service.
- >
- > The commission has a public meeting on San Onofre scheduled for Feb. 12 from 6 p.m. to 9 p.m. at Capo Beach Church in Capistrano Beach to give an update on the status of its review.
- >
- > Back to the Table of Contents<<https://mail.cpuc.ca.gov/owa/UrlBlockedError.aspx>>
- >
- >
- >
- > Pacific Sun - County to extend smart meter moratorium?
- > The smart meter debate has electrified the community

> By Jason Walsh<[http://www.pacificsun.com/news/local/article\\_a337155c-6718-11e2-957a-0019bb30f31a.html](http://www.pacificsun.com/news/local/article_a337155c-6718-11e2-957a-0019bb30f31a.html)>, January 25

>

> Unincorporated Marin will likely be off the smart grid for another year, as the County Board of Supervisors on Tuesday will consider extending its moratorium on PG&E installation of the wireless energy meters.

>

> Some Marin residents have had their fingers in a socket over Pacific Gas and Electric's plans to install the controversial radio-frequency-emitting meters, which can more efficiently monitor household power usage, but have caused concerns over health sensitivities and privacy violations. In 2010, the County of Marin, as well as several municipalities, sought recourse through the California Public Utilities Commission—but when the CPUC failed to act, the County adopted an emergency ordinance which placed a moratorium on the further installation of the meters until the health and privacy issues surrounding them had been adequately addressed.

>

> In February of last year, the CPUC voted 4 – 0 on a smart-meter "opt out" policy that would allow residents to keep their analog meters for a \$10 monthly service fee. If smart meters have already been installed, the opt out price would include \$75 to have those meters replaced by analog meters, in addition to the \$10 monthly service fee.

>

> But Deputy County Council David Zaltsman says that process is "still ongoing" and that the CPUC has not yet formally adopted any opt-out provisions or fees. "Therefore," writes Zaltsman in his recommendation to the Board, "our office has again been requested to update the moratorium ordinance for another year."

>

> If the Supes concur at next week's meeting, the new expiration date for the smart meter moratorium will be Dec. 31, 2013.

>

> Back to the Table of Contents<<https://mail.cpuc.ca.gov/owa/UrlBlockedError.aspx>>

>

>

>

> Orange County Register - San Juan Capistrano leaders, residents use meeting to object to SDG&E power plan

> By Josh Francis<<http://www.ocregister.com/news/san-409242-juan-project.html>>, January 25

>

> Representatives of the California Public Utilities Commission, meeting Thursday night in San Clemente, heard two sides of a \$473 million plan by San Diego Gas & Electric to upgrade power lines in San Juan Capistrano and San Clemente and tear down and replace a 95-year-old substation in San Juan Capistrano.

> The project hasn't attracted many objections from San Clemente, but many residents and city leaders in San Juan Capistrano are upset with the proposal to demolish the old substation on a 2-acre site off Camino Capistrano. The San Juan Capistrano City Council adopted a resolution in February opposing changes to the station "without proper mitigation."

>

> --

> How to weigh in

> The Public Utilities Commission is accepting written comments from individuals, organizations and agencies about the scope of the environmental impact report for SDG&E's power project.

>

> Comments may be mailed by 5 p.m. Feb. 8 to Andrew Barnsdale, California Public Utilities Commission, RE: SOCRE Project, c/o Ecology and Environment Inc., 505 Sansome St., Suite 300, San Francisco, CA, 94111.

>

> You also can email comments to [SOCRE.CEQA@ene.com](mailto:SOCRE.CEQA@ene.com)<<mailto:SOCRE.CEQA@ene.com>> or fax to 415-398-5326. Include your name and mailing address. To leave a voice message, call 855-520-6799.

> --

>



- > SDG&E says the project would boost electrical capacity and reliability in south Orange County, partly by upgrading electrical transmission lines along an 8.26-mile corridor in San Juan Capistrano and San Clemente and replacing several wooden power poles with steel towers.
- >
- > Thursday's public meeting at Bella Collina Towne & Golf Club, which followed a similar one Wednesday night in San Juan Capistrano, was intended to gather input for an environmental-impact report for the project being prepared by the utilities commission.
- >
- > "The first issue right off the top was the ability of SDG&E to come in and demolish a historic structure downtown," San Juan Capistrano Mayor John Taylor said. "My other issue is the scale of the project. ... It's way out of scale for that neighborhood."
- >
- > The substation is in the middle of a residential community about a mile north of Mission San Juan Capistrano. The existing station would be replaced with a new one that could reach 50 feet tall and occupy about 6½ acres.
- >
- > Duane Cave, external-relations manager for SDG&E, said the company spent two years studying ways to save the existing structure before determining it couldn't do it and achieve its goal of expanding capacity and reliability.
- > Cave said SDG&E has offered to work with the city on the aesthetics of the project but that the city has not invited the utility to many of the meetings where the project was discussed.
- >
- > "We want the substation to fit into the community," Cave said after Thursday's meeting.
- >
- > Bill Ramsey, San Juan Capistrano's assistant director of development services, aired many concerns to the utilities commission, including some regarding the look of the project and its potential effects on the city, which is already experiencing several major building projects.
- >
- > Taylor said the SDG&E proposal, which would serve about 130,000 homes, would disproportionately affect his city. "For about 8 percent of the need, San Juan Capistrano will be saddled with 100 percent of the impact," he said.
- >
- > The current substation serves a majority of San Juan Capistrano and a portion of Laguna Niguel, Cave said.
- >
- > The utilities commission could determine that the new substation needs to be on a different site, though Cave said it would be more costly to do that because wires already go to the current site.
- >
- > **NEXT STEPS**
- > SDG&E's proposal must go through environmental studies and review, final EIR hearings, an administrative hearing, public comment sessions and final Public Utilities Commission approval. It could take more than a year to finish the process.
- >
- > If the commission approves the plan or an amended version within a year, the project would begin in 2014 and finish before 2018, SDG&E says.
- >
- > **SDG&E OUTREACH**
- > SDG&E recently opened an office in San Juan Capistrano to provide information about the project in English and Spanish. The office, at 31521 Camino Capistrano, is open from 9 a.m. to 5 p.m. Mondays through Fridays. It will be open for five years, the company says.
- >
- > Residents also can call Cave at 949-361-8065 or email him at [dcave@semprautilities.com](mailto:dcave@semprautilities.com)<mailto:dcave@semprautilities.com>.
- > To see a video about the project, go to [youtube.com/watch?feature=player\\_embedded&v=wcrCC1XYtwY](http://youtube.com/watch?feature=player_embedded&v=wcrCC1XYtwY)<http://youtube.com/watch?feature=player\_embedded&v=wcrCC1XYtwY>.

- >
- > Back to the Table of Contents
- >
- >
- >
- > San Jose Mercury News (commentary) - California utilities are fighting solar progress
- > By Adam Browning<[http://www.mercurynews.com/opinion/ci\\_22444634/adam-browning-california-utilities-are-fighting-solar-progress](http://www.mercurynews.com/opinion/ci_22444634/adam-browning-california-utilities-are-fighting-solar-progress)>, January 25
- >
- > Solar energy is one of California's biggest success stories. Homes, schools and businesses are going solar in record numbers. The growing industry now employs 43,000 Californians and has infused \$10 billion in private investment into our otherwise limping economy.
- >
- > Yet California's investor-owned utilities are quietly gearing up for battle against rooftop solar, using fuzzy math to distort the impact of the program that is the backbone of our state's solar energy boom. The interests of a few monopoly utilities should not outshine the rest of us.
- >
- > In 2006, the California Public Utilities Commission and the Legislature devised a plan to transform the California solar market. The idea: a one-shot rebate program to build a self-sustaining rooftop solar market with incentives that decline as the industry grows and brings down costs. Central to the plan was a program called net metering that would allow customers investing in solar to get fair credit for clean power they're generating for others to use.
- >
- > And it worked. Earlier this month, officials announced that the state's California Solar Initiative hit a milestone, with more than 1,000 megawatts (or two conventional power plants' worth) of solar projects installed on rooftops. State rebates have come down 95 percent and are on the cusp of going away entirely. The market is thriving. We have our state's policy makers to thank for an effective program that is creating a real energy revolution.
- >
- > But just as California's grid is beginning to truly transform, here comes the backlash. Rooftop solar is under attack like never before by the state's investor-owned utilities.
- >
- > Why would your utility oppose customers going solar? Utilities make money by getting a guaranteed rate of return on the infrastructure they build, such as transmission lines or power plants, using ratepayers' money. Building more infrastructure is better for their bottom line. Rooftop solar reduces the need to add power plants. It's good for our electricity grid, but it upsets the status quo that has boosted utilities' revenues for so long.
- >
- > The utilities criticize net-metered rooftop solar by claiming that consumers who install the systems "shift" the costs of running the grid to other utility customers, thereby raising their rates. But this view leaves out one big piece of the cost-benefit equation: namely, the benefits.
- > The Vote Solar Initiative commissioned a study to take a balanced look at the issue. The results show that net-metered rooftop solar will provide \$90 million in annual net benefits to nonsolar ratepayers. And that's before you account for the economic, climate and public health benefits of more solar power.
- >
- > The ratepayer benefits are savings on expensive and polluting conventional power; reduced investments in expensive infrastructure (paid for by you, remember); reduced electricity lost during long-distance transportation over power lines (rooftop solar's surplus energy is sent directly to neighboring homes and buildings); and savings on the cost of meeting carbon reduction and renewable energy requirements.
- > Investor-owned utilities are given a monopoly in return for serving the public. Every utility in the state makes a profit, yet not one has an energy plan sufficient to deal with climate change. They should be doing all they can to help, not hinder, anyone who wants to use their own money to install a 100 percent clean, renewable energy system.
- >

> California's investor-owned utilities receive about \$25 billion in annual revenue from ratepayers. In their world, the benefits and costs of rooftop solar are close to spare change. But in the face of impending climate catastrophe, a thriving rooftop solar industry is priceless.

>  
> Adam Browning is executive director of The Vote Solar Initiative. He wrote this for this newspaper.

>  
> [Back to the Table of Contents](#)

>  
> \_\_\_\_\_

>  
> TELECOM – California

>  
> [Back to the Table of Contents](#)

>  
> \_\_\_\_\_

>  
> VIDEO – California

>  
> \_\_\_\_\_

>  
> TRANSPORTATION – California

>  
>  
> Los Angeles Times - California still hasn't bought land for bullet train route

> Construction is supposed to start in July. High-speed rail officials say they can do it. But they face resistance from landowners, and if the schedule slips, costs could grow too high.

> By Ralph Vartabedian<<http://www.latimes.com/news/local/la-me-bullet-land-20130127,0,6688039.story?track=rss>>, January 27

>  
> Construction of California's high-speed rail network is supposed to start in just six months, but the state hasn't acquired a single acre along the route and faces what officials are calling a challenging schedule to assemble hundreds of parcels needed in the Central Valley.

>  
> The complexity of getting federal, state and local regulatory approvals for the massive \$68-billion project has already pushed back the start of construction to July from late last year. Even with that additional time, however, the state is facing a risk of not having the property to start major construction work near Fresno as now planned.

>  
> It hopes to begin making purchase offers for land in the next several weeks. But that's only the first step in a convoluted legal process that will give farmers, businesses and homeowners leverage to delay the project by weeks, if not months, and drive up sales prices, legal experts say.

>  
> One major stumbling block could be valuing agricultural land in a region where prices have been soaring, raising property owners' expectations far above what the state expects to pay.

>  
> "The reality is that they are not going to start in July," said Anthony Leones, a Bay Area attorney who has represented government agencies as well as property owners in eminent domain cases.

>  
> State high-speed rail officials say it won't be easy, but they can acquire needed property and begin the project on time.

>  
> "It is a challenge," said Jeff Morales, the rail agency's chief executive. "It is not unlike virtually any project. The difference is the scale of it."

>

- > Quickly acquiring a new rail corridor is crucial to the project, which Gov. Jerry Brown touted last week as the latest symbol of California's tradition of dreaming big and making major investments in its future.
- >
- > Delays in starting construction could set in motion a chain reaction of problems that would jeopardize the politically and financially sensitive timetable for building the \$6-billion first leg of the system. Under its deal with the Obama administration, which is pushing the project as an integral part of its economic and transportation agenda, the state must complete the first 130 miles of rail in the Central Valley by 2018, an aggressive schedule that would require spending about \$3.6 million every day.
- >
- > California voters in 2008 approved plans for a 220-mph bullet train system that would initially link the Bay Area and Southern California at a cost of \$32 billion, less than half the estimated cost of the project.
- >
- > If the construction schedule slips, costs could grow and leave the state without enough money to complete the entire first segment. Rail agency documents acknowledge initial construction may not get as close to Bakersfield in the southern Central Valley as planned.
- >
- > In addition to property, the rail authority still needs permits from the Army Corps of Engineers and approval by the San Joaquin Valley Air Pollution Control District, two more potential choke points that Morales says can be navigated.
- >
- > The land purchases are waiting on the hiring of a team of specialized contractors, but they cannot start their work until the rail agency gets approval from another branch of the state bureaucracy. About 400 parcels are needed for the first construction segment, a 29-mile stretch from Madera to Fresno.
- >
- > The formal offers will start an eminent domain action, the legal process for seizing land from private owners. The owners have 30 days to consider the offer, and then the state must go through a series of steps that can add 100 more days of appeals and hearings, assuming the state can get on the court calendar, according to Robert Wilkinson, an eminent domain litigator in Fresno. If the state fails to convince a judge that a quick takeover of property is justified, formal trials could stretch on for 18 months, he added.
- >
- > "I would think a lot of these are going to end up in litigation," he said. "It is a tight schedule, no question about it."
- >
- > Indeed, the rail authority's formal right-of-way plan indicates it does not expect to acquire the first properties until Sept. 15, despite other documents that indicate construction would start in July. Rail officials said they padded the schedule to avoid claims for additional payments by construction contractors should land not be available by July.
- >
- > Last month, the federal Government Accountability Office reported that about 100 parcels were at risk of not being available in time for construction.
- >
- > That assessment was based on information the office collected last August. Susan Fleming, a GAO investigator, testified at a House hearing last month: "Not having the needed right of way could cause delays as well as add to project costs."
- >
- > Morales said in a recent interview that he would not argue with the warning in the GAO report but still sees nothing that would delay the start of construction. Technically, the rail authority could meet the July target date by beginning demolition or other construction on a single piece of property, he said.
- >
- > Anja Raudabaugh, executive director of the Madera County Farm Bureau, which is suing to halt the project under the California Environmental Quality Act, said the rail authority will face strong opposition to condemnation proceedings in the Central Valley. The bureau has hired a condemnation expert to help battle the land seizures.
- >
- > "It is a harried mess," she said.
- >

> She noted that agricultural land prices rose rapidly last year across the nation. In the Central Valley, the average price of farmland is \$28,000 per acre, while the rail authority's budget anticipates an average price of \$8,000 per acre, she said.

>

> Kole Upton, an almond farmer who leads the rail watchdog group Preserve Our Heritage, questioned the rail agency's expertise in conducting complex appraisals of agricultural land that has orchards, irrigation systems and processing facilities.

>

> "I am not sure this thing has been well thought out by people who have a deep understanding of agriculture," Upton said. "I live on my farm, and my son lives on my farm. My dad started it after World War II. This is our heritage and our future."

>

> Morales said he believes the agency's budget for property acquisitions is adequate and he did not want to negotiate prices publicly.

>

> "We don't think we are wildly off," he said.

>

> [Back to the Table of Contents](#)

>

>

>

> [San Francisco Chronicle \(commentary\) Gov. Brown does the Sacramento choo-choo](#)

> [Debra J. Saunders<http://www.sfgate.com/opinion/saunders/article/Gov-Brown-does-the-Sacramento-choo-choo-4224693.php#ixzz2JFiQebcU>](http://www.sfgate.com/opinion/saunders/article/Gov-Brown-does-the-Sacramento-choo-choo-4224693.php#ixzz2JFiQebcU), January 25

>

> Sacramento -- Gov. Jerry Brown gives great speeches with unique quotes that never let the listener forget he is a former seminarian. In that spirit during his State of the State address Thursday, Brown quoted jurist Oliver Wendell Holmes, told a story from Genesis and marveled at the "mysterious cycle in human events" observed by FDR. He moved on to Montaigne and Irish poet William Butler Yeats. But then Brown ventured into the land he rarely visits, the land of words with one syllable. He ended his address before a joint session of the California Legislature invoking "The Little Enging that Could."

>

> "I think I can," the governor choo-chooed. "I think I can."

>

> "And over the mountain, the little engine went. We're going to get over that mountain, have no doubt about it."

>

> While he was talking about high-speed rail, in a sense, Brown also was talking about himself and about California. In 2010, Brown not only won election to reclaim California's governorship - 36 years after he first was elected to the job - but he also persuaded state voters to raise income and other taxes to balance the state budget.

>

> Before Brown, Gov. Arnold Schwarzenegger tried to coax voters to raise taxes. The former Mr. Universe failed. In November, Brown's Proposition 30 passed with an amazing 55 percent of the vote. Brown thought he could, and he did.

>

> Now California has gone over the mountain. When Brown re-won the governorship, California was very blue. Democrats held every statewide office as well as a majority of seats in the Assembly and Senate.

>

> In November, the Golden State turned even bluer. For most of this session, Democrats are expected to hold a supermajority in both houses. Republicans won't be able to stop tax increases by withholding the votes needed to reach the two-thirds threshold.

>

> For the first time in years, the Democrats who gave California close to a decade of shortfalls and red ink won't be able to blame Sacramento's dysfunction on the GOP. So what are they doing? They're talking like Republicans.

- >
- > "Fiscal discipline is not the enemy of our good intentions," quoth Brown, "but the basis for realizing them." He lauded "the wisdom of Joseph," who saved up for hard times. He urged lawmakers not to write too many laws "constantly expanding the coercive power of government."
- >
- > "It appears we have a Republican governor," quipped dubious state Sen. Jim Nielsen, R-Gerber.
- >
- > As long as I've known Brown, he has prided himself for sporting a conservative streak. Brown thought as much when he was mayor of Oakland and California's attorney general.
- >
- > Now that the Democrats have a supermajority, Brown is going to feel what it is to be righteously right. Party progressives will be clamoring for new programs and creative tax hikes that threaten to destabilize state coffers.
- >
- > "No spending splurges," Sen. Kevin de León, D-Los Angeles, assured me. California needs "job growth."
- >
- > It's hard to imagine such discipline lasting. By nature, Democrats spend too much. Without the check of the GOP, there will be only Brown to slow that runaway train.
- >
- > Forget, "I think I can." For the next two years, Brown will be muttering to himself, as if to Democratic leaders, "No, you don't." In his dreams, Brown will be seeing Gray Davis - the governor voters recalled in 2003 in part because of a party-driven tripling of the vehicle license fee.
- >
- > During Brown's first tenure as governor, columnist Mike Royko dubbed Brown "Governor Moonbeam." The second time around, Brown could become known as "Governor No."
- >
- > From Jerry Brown's book of quotes
- > -- "There is a mysterious cycle in human events. To some generations much is given. Of other generations much is expected. This generation has a rendezvous with destiny." - Franklin Delano Roosevelt
- >
- >
- > -- "Education is not the filling of a pail, but the lighting of a fire." - William Butler Yeats
- >
- > -- "The most desirable laws are those that are the rarest, simplest and most general; and I think that it would be better to have none at all than to have such numbers as we have." - Montaigne
- >
- > -- "I think I can, I think I can." - "The Little Engine That Could," Watty Piper, 1930
- >
- > Back to the Table of Contents
- >
- > \_\_\_\_\_
- >
- > WATER – California
- >
- > Sacramento Bee - Jerry Brown's water plan faces mixed reviews
- > By David Siders and Jim Sanders<[http://www.sacbee.com/2013/01/26/5142201/jerry-browns-water-plan-faces.html#mi\\_rss=Top%20Stories](http://www.sacbee.com/2013/01/26/5142201/jerry-browns-water-plan-faces.html#mi_rss=Top%20Stories)>, January 27,
- >
- > Nearly lost in the flurry of praise for Gov. Jerry Brown's State of the State address on Thursday were a handful of tersely worded statements from lawmakers objecting to his plan to build two water-diverting tunnels through the Sacramento-San Joaquin Delta.

- > The controversy is decades old. Yet the pointed nature of the criticism – and the eagerness of even Democratic lawmakers to challenge Brown on a day in which tradition suggests restraint – laid bare how significant a test of Brown's political abilities the \$14 billion project may be.
- >
- > Immediately following Brown's speech, Assemblywoman Kristin Olsen, R-Modesto, issued a statement panning the Democratic governor's plan to divert water to the south. Sen. Lois Wolk, D-Davis, said the project is "expensive and controversial, and the science is not there."
- >
- > Less than a year after Brown persuaded lawmakers to approve a \$68 billion high-speed rail project, Assemblywoman Susan Talamantes Eggman, D-Stockton, said, "I think he gets the train or the tunnels. I don't think he gets both."
- >
- > For years, California politicians have struggled to mediate the competing water interests of farmers, environmentalists, Delta residents and Southern Californians.
- >
- > Brown may not be asking the Legislature for its approval. The water project he proposes would be financed by water users and permitted administratively by the state and federal governments, and there is no technical requirement that Brown obtain the Legislature's blessing.
- >
- > Yet the project is tied politically to an \$11.1 billion water bond scheduled for the November 2014 ballot. The Legislature has withdrawn the bond from two previous elections, in 2010 and 2012, and Brown has urged lawmakers to revise the measure to reduce its cost and improve its chance of passing.
- >
- > Funding included in the bond for dams, wastewater treatment and other water infrastructure projects could be necessary to ease opposition to Brown's plan.
- >
- > The support of key lawmakers could also help head off litigation by foes of the project.
- >
- > The water diversion tunnels Brown proposes are intended to improve the way water is diverted from the Delta. Rather than diverting from the south Delta, which alters habitat by reversing the natural flow direction, the tunnels would divert freshwater directly from the Sacramento River near Courtland.
- >
- > Proponents of the project say it will improve the Delta ecosystem and protect from levee failures and sea level rise a water supply used by some 25 million Californians. Critics fear it will harm the Delta ecosystem and farm economy.
- >
- > Natural Resources Secretary John Laird said Friday the administration is seeking input from every stakeholder, including lawmakers. "We want to work with the Legislature to do whatever can be helpful to people around the state on water," said Laird, a former assemblyman. "Everything is balancing interests, and it's our goal to balance the interests as fast as possible after including everybody and talking to everybody."
- >
- > As governor before from 1975 to 1983, Brown did seek – and obtained – the Legislature's support for a water project similar to the one he is proposing now.
- >
- > In a State of the State address more than 30 years ago, Brown called the project "an investment in the future." The project was undone by the electorate, defeated in a referendum in 1982.
- >
- > In his speech on Thursday, Brown spent less than two minutes on the subject.
- >
- > "My proposed plan is two tunnels 30 miles long and 40 feet wide, designed to improve the ecology of the Delta, with almost 100 square miles of habitat restoration," Brown said. "Yes, that's big. But so is the problem."
- >
- > Brown has Democratic supermajorities this year in both the Assembly and the Senate, but it is unclear how helpful that will be. Divisions over water in California have traditionally been – and are still – more regional than partisan.

- >
- > Assembly Speaker John A. Pérez said Brown's proposal is "one very good option," but not the only one.
- >
- > "The final determination on what those infrastructure decisions are will be something that all members of the Legislature will be engaged in," the Los Angeles Democrat said. "Look, you can look at the pre-existing plan, and if you go and ask the 120 members of the Legislature, you'll get 143 different ideas."
- >
- > The project is part of the Bay Delta Conservation Plan. A draft environmental report is expected next month.
- >
- > Meanwhile, Brown is just beginning to interact with new members of a Legislature that convened its largest freshman class this year since 1966.
- >
- > "I think he's smart enough and experienced enough to know that water politics in California is always contentious," said Jack Pitney, a government professor at Claremont McKenna College.
- >
- > Pitney described Brown's prospects for the water project as "tough, but I wouldn't rule it out."
- >
- > Even with skeptical lawmakers, he said, "You know, governors do have leverage. There are other things that these folks want."
- >
- > Both Pérez and Senate President Pro Tem Darrell Steinberg, D-Sacramento, have rallied support in their houses for Brown before, including on high-speed rail.
- >
- > "I'm not ready to sign off on any particular size tunnel, but I think the idea that we both have to restore the ecosystem of the Delta and at the same time provide water reliability conveyance for the entire state by going around the Delta is true, and accepted," Steinberg said. "And I accept it, and I'm ready to work with the governor to figure out the details."
- >
- > Back to the Table of Contents
- >
- >
- >
- >
- >
- > San Gabriel Valley Tribune (Commentary) - Can Gov. Brown make old things new?
- > By Steve Scauzillo<[http://www.google.com/search?hl=en&gl=us&tbm=nws&q=California+Public+Utilities+Commission&oq=California+Public+Utilities+Commission&gs\\_l=news-cc.3..43j43i400.5642.14091.0.14715.54.7.1.43.31.0.177.547.4j2.6.0...0.0...1ac.1.4dMykRJ1kzc](http://www.google.com/search?hl=en&gl=us&tbm=nws&q=California+Public+Utilities+Commission&oq=California+Public+Utilities+Commission&gs_l=news-cc.3..43j43i400.5642.14091.0.14715.54.7.1.43.31.0.177.547.4j2.6.0...0.0...1ac.1.4dMykRJ1kzc)>, January 26
- >
- > Gov. Jerry Brown likes to quote the Bible.
- >
- > In his state of the state speech Thursday, he cautioned spend-happy legislators citing the Egyptian Pharaoh's nightmare of over-fed cows being devoured by the starving cows. The Book of Genesis story demonstrates how quickly famine can follow plenty.
- >
- > When I heard that, I immediately thought of a New Testament principle, one that says old things become new with faith. It's a metaphor for Jerry Brown, himself approaching the end of his political career yet a man possessed with leaving a legacy.
- >
- > But it is also about the projects as much as the man. He's pushing two old ideas to cleanse the air of emissions and boost the Golden State's economy.
- >



- > First and foremost, the new/old Brown wants the state water agencies (the ratepayers, that's us) and the taxpayers (that's us, too) to pay for a \$14 billion twin-tunnels project in and around the Sacramento-San Joaquin River Delta that sounds very similar to his father Pat Brown's old Peripheral Canal idea defeated by voters in 1982.
- >
- > The new/old idea will bring a reliable supply of water from Northern California to thirsty L.A. and San Diego and also to the San Gabriel Valley and Inland Empire cities that don't have wells or need imported water to supplement well water.
- >
- > It's costly, but an idea that water agencies love. There's nothing more satisfying to water managers than a reliable water supply. It means they can sleep at night.
- >
- > The second project on a list of investments in California infrastructure is the much maligned high-speed rail, a super-fast train that would whisk passengers from Los Angeles to San Francisco in 2 hours 40 minutes. A 432-mile electrical alternative to emissions-spewing automobiles that would cost about \$68 billion.
- >
- > Brown wants to make old things new. There's nothing older than the fight over water in the Golden State. It precedes the skirmishes over gold. Add to that the viewpoint from a typical Northern Californian that goes something like "take our water and give it to people in Los Angeles and San Diego over my dead body" and you know what I'm talking about.
- >
- > Even the reasons for the new project, something the big folks at Metropolitan Water District support and call the Bay Delta Plan, are old: to ensure a reliable water supply in the event of a major earthquake and to protect the species swimming in the Delta. Oh, let's not leave out the No. 1 reason for all of this canal talk: Water for California's \$27 billion agribusiness.
- >
- > Was it serendipitous or good timing on Brown's part that while he gave his speech, an obscure panel appointed by the Legislature to iron out California's water problems was meeting that same day, a few miles away.
- >
- > Brown, the Democratically-controlled Legislature and the Delta Stewardship Council will be working together on rules and plans for this project, for water conservation and environmental stewardship. Look for the Council's final Delta Plan to be released sometime in the spring.
- >
- > Meanwhile, his other old idea - a train - has been around ever since the Golden Spike connected the First Transcontinental Railroad in 1869 in Utah and industrialized the West.
- >
- > Even their high-speed, electrified cousins have been around in Japan and Europe for decades. Now, one is being built in Morocco.
- >
- > California, the land of innovation, is behind the times. It's been a slow march for commuter trains and light-rail trolleys (read: less-polluting electric ones) to reach suburbia, where our single-car commuters pollute the air from 6 a.m. to 9 a.m. and 4 p.m. to 7 p.m. every weekday.
- >
- > I'm for the future, so I'm for both a fast train to `Frisco and a more reliable water supply. Maybe we can sell these ideas to Hollywood as a kind of "Back to the Future" theme.
- >
- > The only question is whether the rest of the state will buy into it.
- >
- > That would take a New Testament kind of change of heart that would come from each Californian to support new infrastructure and invest in new job-creating projects like Californians did in the 1950s and 1960s.
- >
- > The answer, as the Bible says, lies within.
- >
- > Back to the Table of Contents
- >

- >
- >
- > NeighborWebSJ.com - East San Jose Coalition Fighting Proposed Water Rate Increases of 44% Over 3 Years
- > By Janice Rombeck<<http://www.neighborwebsj.com/east-san-jose-coalition-fighting-proposed-water-rate-increases-of-44-over-3-years/>>, January 26
- >
- > A public protest against a proposed 44 percent water rate hike is catching steam in East San Jose and getting the attention of a powerful state senator.
- >
- > "I'm going to listen," Senator Jim Beall told a group of residents at a District 5 United meeting at Dr. Roberto Cruz Alum Rock Library. "But I'm going to do something about it. That's the bottom line."
- > In January 2012, the San Jose Water Company filed a request with the California Public Utilities Commission to charge customers 21.5 percent more this year, 4.87 percent more in 2014 and 12.59 percent more in 2015. Over three years, the increased rates would generate \$95,154,000. The CPUC has not yet made a decision.
- >
- > In response, District 5 United, a coalition of East San Jose neighborhood associations, launched an online petition signed so far by 700, produced a video and invited Beall, San Jose District 5 Councilman Xavier Campos and Richard Rauschmeier, who represents the CPUC's Division of Ratepayer Advocates, to the community meeting. Juan Estrada, president of District 5 United, also distributed flyers at the mayor's budget priority setting session at City Hall on Saturday, January 26.
- >
- > "We could help shape the outcome," Estrada said at the Wednesday, January 23 meeting. "The issue has been under the radar for a year. Now it's surfaced."
- >
- > Beall drove from Sacramento to attend the meeting even though he had to turn around and drive back to Sacramento for the governor's January 24 State of the State speech.
- >
- > "I was surprised at the 44 percent, to be honest about it," Beall told the group of about 35. "If you look at the San Jose Water Company and you check their stock records, they're making a profit. They pay dividends to their shareholders. It's a good company. They're making money."
- >
- > In a Q&A on its website, the San Jose Water Company says the proposed rates reflect "escalating operating costs and significant water system replacement costs for mains, tanks, and wells that allow the company to continue providing safe and reliable water service. "
- >
- > The Division of Ratepayers Advocates is proposing a 0.50 percent increase this year, 3.73 percent increase in 2014 and a 5.65 percent increase in 2015, or 10 percent over three years. Rauschmeier also said that the San Jose Water Company wanted to increase its staff by 23 employees, and the DRA sees the need for just three more employees.
- >
- > The mission of the DRA, a group within the CPUC, is to keep utility customers' rates as low as possible for reliable and safe services. The DRA team of engineers, accountants and economists review applications, conduct audits and makes recommendations to the CPUC.
- >
- > "There is a lot that is good with the company," Rauschmeier said of the San Jose Water Company. "We just want to makes sure that continues and that what is done is reasonable."
- >
- > Asked resident Gustavo Gonzales, who appeared in the protest video, "Are You Smarter Than a 3rd-Grader?," "What else can we do besides wait for the outcome?"
- >
- > Although the public hearings have been held, Rauschmeier said the commission was still accepting comments and that it meets every other Thursday in San Francisco, taking comments from the public at the beginning of each meeting.
- >

- > "Stay involved and keep trying to fight for what's reasonable," he said.
- >
- > Back to the Table of Contents
- >
- >
- >
- > Claremont-LaVerne Patch (Letter to the Editor) - Claremont Residents' Scrutinize Water Company's Rates
- > Claremonters Against Outrageous Water Rates say Golden State Water Company has been making huge profits off of the city's residents.
- > By Gina Tenorio<<https://mail.cpuc.ca.gov/owa/UrlBlockedError.aspx>>, January 26
- >
- > While Claremont and Golden State Water Company officials verbally battle over the company's water rates and the city's attempts to take over the water delivery system, some of the locals are working to be heard.
- >
- > Below is a letter to the editor submitted by Claremonters Against Outrageous Water Rates.
- >
- > For over a year we have heard about Golden State Water Company (GSWC) and the high rates they charge for water in Claremont. In 2011, this for-profit water company applied to the California Public Utilities Commission (PUC) for a rate increase, seeking a 25.54% more from Claremont ratepayers, for 2013 and beyond.
- >
- > In GSWC's 2011 rate request application, the water company stated that reduced water usage was a primary reason for the rate increase. GSWC has figured out a way to increase our water bill, when we actually use less water. On top of that, we see that the parent company (AWR) posted 2012, 3rd Quarter profits of \$15.1 Million. Not once in this recession have they cut back expenses, posted a loss or shown any sign of an economic slowdown. Indeed, they have increased staff 31%, posted record results (increasing operating income by 55% in four years) all with a 21% decrease in the amount of water delivered. They delivered less water and made more money doing it.
- >
- > The CA PUC has a Division of Ratepayer Advocates (DRA). The DRA has 137 state employees who are charged with obtaining the "lowest possible rate for service consistent with reliable and safe service levels." Just last week the DRA released their 2012 Annual Report. The report touted that they saved the average customer \$6 a month over what water companies were proposing to charge ratepayers. Really DRA? You pat yourself on the back for saving ratepayers six dollars monthly, when the water bills in Claremont have virtually doubled since May 2011, when GSWC billing went from a 2 month to a 1 month bill.
- >
- > In August 2012, we were told that the DRA negotiated a proposed Settlement Agreement with GSWC, whereby Claremont ratepayers would ONLY, and I use the word only to highlight the absurdity - see 15.1 percent increase in 2013. All we have been looking for in this David vs. Goliath fight is a fair and reasonable price for water. Look at our surrounding cities and see they are paying half, or even less, for their water. On average, our water rates have increased 11% per year for the last seven years. Who is looking out for the Claremont ratepayer?
- >
- > The DRA's Annual Report goes on to explain how they forced one for-profit company to except a rate of return of 9.99% versus 10.02%. No one in Claremont should be tricked into thinking that a fair settlement was reached was reach with the CA PUC - because, it wasn't. Until we have local control of the water company/provider, we are forced to rely on 137 DRA employees. To date, the DRA has failed ratepayers, earning them a letter grade of "F". The DRA failures are something that should have been included in their Annual Report. The report can be viewed at [www.dra.ca.gov](http://www.dra.ca.gov)<<http://www.dra.ca.gov>>
- >
- > Hal Hargrave & Randy Scott,
- > Claremonters Against Outrageous Water Rates
- >
- > Back to the Table of Contents
- >

- >
- >
- > Merced Sun-Star - California water groups want state to study smaller tunnel
- > By Gosia Wozniacka<<http://www.mercedsunstar.com/2013/01/26/2780847/calif-groups-want-state-to-study.html>>, January 26
- >
- > FRESNO, Calif. -- A half-dozen water agencies have cast their lot with environmental groups in calling on California to study a scaled-down alternative to the \$14 billion Sacramento-San Joaquin River Delta tunnels endorsed by Gov. Jerry Brown to bring water from north to south.
- >
- > Proponents say a single, smaller tunnel coupled with investments such as water recycling and desalination would result in more water for cities and farms. They say it also would be better for the environment and cost less - with construction estimated at \$5 billion to \$7 billion.
- >
- > Agricultural groups say a scaled-down water conveyance would be devastating to farmers in the Central Valley, who rely on the delta to irrigate thousands of acres of crops.
- >
- > The proposal is a sign of how California's water wars have evolved.
- >
- > "The big fight over the delta used to be between environmentalists and thirsty cities who wanted more water," said Barry Nelson, senior policy analyst at Natural Resources Defense Council, which supports the alternative. "But now, there's a growing list of cities whose plan it is to become less reliant on the delta and to invest in local solutions. There's common ground there."
- >
- > The health of the delta, the hub of California's water delivery system, has long been deteriorating. Massive pumps which draw drinking water for more than 25 million Californians and irrigate vast expanses of crops are blamed for declines in once-abundant fish populations.
- >
- > Declines in tiny delta smelt, salmon and other species have spurred regulations that curtail delta pumping. In dry years, limited water deliveries have led some farmers to let fields lie fallow and communities to impose water-use restrictions.
- >
- > In July, Brown and Interior Secretary Ken Salazar announced support for massive 35-mile twin tunnels to carry water south. The proposal also includes plans for more than 100,000 acres of floodplain and tidal marsh habitat restoration.
- >
- > The project, called the Bay Delta Conservation Plan, must satisfy two goals: restore the estuary's fragile ecosystem and provide a more stable water supply to residents and farmers.
- >
- > Officials say the tunnels would divert water beneath the delta, lessening the impact of pumps on fish. The amount of water to be diverted would be determined once the project is built, based on the health of the species.
- >
- > The entire project would cost \$23 billion. Water agencies would pay \$14 billion for construction and \$5.8 billion for operations. Some \$3.2 billion for habitat restoration would come from a voter-approved bond on the November 2014 ballot.
- >
- > During his State of the State address Thursday, Brown said construction costs would be similar to the London Olympics. "But this project will serve California for hundreds of years."
- >
- > Environmental groups and seven water agencies want the state to examine their newest proposal as a stand-alone alternative during the environmental review process, which is to be completed by the end of the year. State officials will decide whether to include the new alternative for consideration.
- >

- > In addition to a smaller conveyance and investment into local projects, the new proposal includes strengthening delta levees to protect the water supply from earthquakes, investing in more south-of-delta storage, and 40,000 acres of habitat restoration. Total cost is estimated at \$14 billion to \$16 billion.
- >
- > Following the Legislature's 2009 mandate to reduce reliance on the delta, many urban and agricultural water agencies have been developing innovative local projects and water efficiencies. But those measures are not being considered by the state, said San Diego County Water Authority's assistant general manager Dennis Cushman. San Diego, which supports the new proposal, serves 3.1 million residents in San Diego and 23 other cities and agencies.
- >
- > "It's critically important to first understand what the real demand for water from the delta is, before decisions are made about project size, scope and cost," Cushman said.
- >
- > The San Diego County Water Authority once got 95 percent of its water from the Metropolitan Water District, the giant Los-Angeles based wholesaler which gets water from the delta and the Colorado River.
- >
- > But by developing various local projects, San Diego now gets only half its water from MWD.
- >
- > Cushman said investing in two pricy delta tunnels might not make sense for his district.
- >
- > "The state's approach right now is to build the biggest project they can build, invest \$14 billion and find out 10 years down line what supply water districts get," Cushman said.
- >
- > To environmentalists, making a water project affordable for the water agencies that will finance it is key.
- >
- > "If the project proposed by the governor cannot be paid for, that would leave us with the status quo and the species would continue their march to extinction," said Jonas Minton, water policy adviser for the Planning and Conservation League.
- >
- > State officials say they already are examining a smaller tunnel alternative. That alternative does not include local water supply development or other aspects of the new proposal, because the BDCP is focused on delta conservation, said Karla Nemeth of the California Natural Resources Agency.
- >
- > "We won't get any credit for preserving the delta smelt because of a local water supply project in San Diego," Nemeth said.
- >
- > Agricultural groups and water districts say the new proposal would leave farmers high and dry.
- >
- > "The proposal doesn't provide enough water to meet agricultural needs," said Mike Wade, executive director for the California Farm Water Coalition. "Developing local supply projects is a fine idea, but they don't address water reliability."
- >
- > A scaled-down conveyance, Wade said, could lead water contractors who serve farmers to continue relying on the existing delta water conveyance - meaning fish would continue being dragged into the pumps and killed.
- >
- > A small tunnel would also not allow the shipment and storage of larger amounts of water during wet years, thereby making the water supply less reliable during dry years, he said.
- >
- > While agricultural water districts are developing water efficiencies, they'll still need plenty of water from the delta to irrigate crops, said Brent Walthall, assistant general manager, Kern County Water Agency, which mostly serves farmers and has not taken a position on the tunnel proposals.
- >
- > "We're hoping the water project will be successful," Walthall said, "and that it's affordable for us."
- >

> Back to the Table of Contents

>

>

>

> UT- San Diego (Union-Tribune) - A new water fight — over global warming

> By Michael Gardner<<http://www.utsandiego.com/news/2013/jan/25/water-dispute-global-warming/?page=2#article-copy>>, January 25

>

> The perpetual and sometimes bitter disputes between the San Diego County Water Authority and Metropolitan Water District have taken another twist, this time over recouping the cost of buying state permits to release greenhouse gasses linked to global warming.

>

> The county water authority is proposing legislation that would guarantee it a share of any state Air Resources Board rebate issued to Metropolitan in the future.

>

> The air board is looking to rebates as a way to help offset Metropolitan's costs of participating in the mandatory "cap and trade" program auctioning pollution permits.

>

> Metropolitan estimates that it may have to eventually buy about \$7 million worth of pollution permits. Extrapolated out, that would put the stakes for San Diego at about \$2 million given the county authority buys between 20 percent and 30 percent of Metropolitan's water.

>

> The rebate, regardless of which agency is in control, would have to be spent on projects that directly reduce greenhouse gas emissions. But those same projects could have added benefits, such as promoting conservation.

>

> County water authority officials say the legislation is necessary because otherwise Metropolitan may not distribute the rebate money fairly among the dozens of agencies that buy its water.

>

> Giving Metropolitan control would allow the board "to reward its friends and punish its enemies," said Jeff Volberg, a water authority representative in Sacramento pressing for the legislation.

>

> The water authority proposes to have the air board to administer the rebates rather than Metropolitan.

>

> "We're suing them. They don't think they should be rewarding us by giving us any more money," Volberg said, referring to ongoing litigation over a number of issues. "They could very easily cut us out of getting that money back. The idea is to get it back to the agencies that actually pay the money out of their pocket."

>

> Metropolitan spokesman Bob Muir responded, "At this point in time San Diego's proposal is a bit premature. We haven't yet determined the impacts to Metropolitan. We don't have a proposed payment approach and we haven't paid any fees so there's nothing to be refunded."

>

> The Air Resources Board has ordered Metropolitan to participate in the auction because at times it buys electricity from out-of-state generators that could use coal, which produces more emissions than other sources.

>

> Metropolitan expects the air board will agree to eventually return the money it spends to buy the emission permits at auction. But a major hindrance is that the rebate will have to be set aside as part of the state budget, meaning it is far from guaranteed, Muir said.

>

> "There is still a lot of this under discussion," he said. "We're working cooperatively with the air board to try to find an equitable approach."

>

> And that's why the county water authority wants the Legislature to step in.

- >
- > "Our proposal is: instead of giving that money to Met, give it to the member agencies that paid it to Met in the first place," Volberg said. "That would allow them to use it to reduce emissions rather than have Met be able to say 'you get so much, you get so much.'"
- >
- > Air board Chairwoman Mary Nichols, in an Aug. 27 letter, told Metropolitan General Manager Jeff Kightlinger that she "is fully committed to working with Metropolitan ... to develop and implement a plan that will provide funds for investment in water efficiency and conservation projects that reduce greenhouse gas emissions."
- >
- > In her letter, Nichols pointed out that "water use in California is extremely energy intensive resulting in significant greenhouse gas emissions. Water-related energy use consumes nearly 20 percent of our annual electricity and close to 30 percent of our natural gas."
- >
- > The auction is the integral component of the state's "cap and trade" program. The state Air Resources Board has imposed an emissions cap on selected industries, including Metropolitan because it uses so much electricity to move water out of the Colorado River and through Southern California.
- >
- > Known as "allowances," these permits can also be used as credit toward meeting that emission reduction target. Businesses that generate fewer emissions can sell or trade those allowances to companies that cannot comply.
- >
- > The San Diego-sponsored legislation does not yet have an author. The deadline for submitting bills is Feb 22.
- >
- > **Back to the Table of Contents**
- >
- > \_\_\_\_\_
- >
- > **ENERGY – National**
- >
- > **Back to the Table of Contents**
- >
- > \_\_\_\_\_
- >
- > **TELECOM – National**
- >
- >
- > **San Francisco Chronicle (commentary) - U.S. Internet speed better but still lags**
- > By James Temple<<http://www.sfgate.com/technology/dotcommentary/article/U-S-Internet-speed-better-but-still-lags-4226130.php>>, January 26
- >
- > Mike Haug prepares Verizon fiber-optic cables for installation in New York. Verizon's FiOS network advertises download speeds up to 300 Mbps. Photo: Jin Lee, Bloomberg News
- > The good news? The Internet is getting faster, or at least average connection speeds in the United States are, according to Akamai's latest "State of the Internet" report.
- >
- > The bad news? Our speeds are half those enjoyed in South Korea. In fact, we're ninth on the list among nations, limping along behind Latvia and the Czech Republic. And we drop to 14th when it comes to average peak speeds, according to the study from the Cambridge, Mass., firm, which helps websites accelerate content delivery.
- >
- > It's troubling news, because studies repeatedly link faster Internet connections to improved economic development and education outcomes. To the degree that we're lagging other nations, we're forgoing opportunities.
- >

> The U.S. average of 7.2 megabits per second, after all, means lots of people, particularly in rural areas and low-income neighborhoods, are grappling with speeds far below that. And those are people who need access to information, online tutoring and job opportunities as much, or more, than anyone.

>

> A 2011 report concluded that doubling broadband speeds can increase a nation's gross domestic product by 0.3 percent. That would add up to \$126 billion in the United States, noted the paper by networking equipment company Ericsson, consulting firm Arthur D. Little and Chalmers University of Technology in Sweden.

>

> Next-generation apps

> It's also bad news because faster Internet connections enable next-generation applications, the things we might not even know we need or want yet. When the Internet transitioned from dial-up to broadband, we went from happily waiting for still images to load to streaming movies on Netflix and Hulu - and learning about physics and math from Khan Academy videos. The acceleration of Internet speeds has transformed countless industries, upending the way we learn, play, shop, date and much, much more.

>

> So what will the next 10 Mbps bring? Or 50? Who knows?

>

> It could be "ultra HD" or 3-D television and movies. It could be entirely new kinds of virtual reality and immersive games.

>

> It could also be virtual classrooms, with high-resolution video, interactive tools and simultaneous translations across multiple languages, linking students and teachers around the globe.

>

> It could represent the infrastructure upgrade necessary to usher in a new era of connected homes and the "Internet of Things," where all our products are connected and talking, in ways that could make our lives easier and use of resources more efficient.

>

> "It's difficult to predict what becomes possible, but in general, faster broadband access with less restrictive data caps is likely to result in better things for consumers," said Dane Jasper, chief executive of Sonic.net<<http://Sonic.net>>, an Internet service provider in Santa Rosa.

>

> Indeed, it's clear from both the short history of the Internet and the long history of civilization that information technology matters, reshuffling the winners and losers in politics, economics, arts and culture. So, it's probably a good idea to keep up.

>

> But South Korea is consistently winning the race, clocking in with average connection speeds of 14.7 Mbps during the third quarter, according to Akamai. Japan came in second at 10.5 Mbps, while Hong Kong ranked third at 9.

>

> Lack of competition

> There are a variety of reasons why the United States falls near the bottom of the top 10 nations, but much of it boils down to the lack of competition - specifically the continuing reign of dominant legacy players in telecommunications like AT&T and Comcast, despite otherwise vast changes throughout the tech sector.

>

> The government of South Korea has actively promoted fast and plentiful Internet access through a series of policy initiatives, including forcing its public power utility and dominant telecom company to open up their networks to rivals, according to Wired.

>

> Back to the Table of Contents

>

> \_\_\_\_\_

>

> TRANSPORTATION – National



>  
>  
> Wall Street Journal - Travis Kalanick: The Transportation Trustbuster  
> Travis Kalanick, co-founder of Uber, talks about how he's bringing limo service to the urban masses—and how he learned to beat the taxi cartel and city hall.  
> By Andy Kessler<<http://online.wsj.com/article/SB10001424127887324235104578244231122376480.html>>, January 25  
>  
> San Francisco – I walk to the security desk in the lobby of what could be any of this city's downtown office buildings filled with lawyers, architects and finance firms. "I'm here to see Travis Kalanick at Uber."  
>  
> "You'll have to email him, they're very secretive. And take a seat."  
>  
> I sit down and send a note to say I have arrived for the interview. Nearby, several middle-aged men, all wearing black suits, white shirts and ties, listen to a young guy in jeans, orange socks and sneakers. He is consulting a MacBook as he talks to them. "Your account is no longer active, due to quality concerns from negative feedback," he says to one of the men. "You've had 105 trips and your quality scores are low."  
>  
> These are Uber drivers, I surmise, and one of them is being given the heave-ho. The company is a hot San Francisco startup that already has 25 outposts around the world for its simple, seductive service: on-demand transportation. With an iPhone or Android app, you call up the Uber map, spot an available town car or taxi, and summon it with a click. The fare and tip for a town car, or limo, is maybe 50% higher than for a regular taxi ride and paid for through the service.  
>  
> As the "no longer active" driver might attest, the company puts a premium on customer satisfaction. Uber has been successful enough that city bureaucrats across the country, eager to protect homegrown taxi and limousine services, have thrown up regulatory roadblocks left and right.  
>  
> An Uber staffer fetches me and I am taken to meet Mr. Kalanick. The 36-year-old CEO isn't dressed in the usual geek-chic uniform. Instead, he wears a light-gray Italian suit with a pink shirt, no tie. But the Uber offices themselves have the usual Silicon Valley accouterments—as I walk with Mr. Kalanick to a cluttered conference room, we pass a game room with a Foosball table, a Pepsi-stocked fridge and two tapped beer kegs.  
>  
> His background is also classic Silicon Valley. Started coding in sixth grade. Studied computer engineering at UCLA—"a great discipline on how to break down problems and put them back together," Mr. Kalanick says. Founded a company in 1999 during his senior year, left college without graduating.  
>  
> The company, Scour.com<<http://Scour.com>>, was like Napster, a peer-to-peer search engine to find music and other content on the Web. He was sued for \$250 billion (yes, with a "b") by 30 or so media companies, filed for Chapter 11, started another company with the same P2P technology, but this time he was paid by media companies to move their content around cheaply. He ran out of money several times, moved back home with his parents near Los Angeles and worried about his sanity. Then the company, called Red Swoosh, finally started working, and in 2007 he sold it to Akamai for \$15 million.  
>  
> Two years later, Travis and a friend, Garrett Camp, who had made his fortune by selling the Web search tool StumbleUpon to eBay in 2007, were in Paris for the Le Web conference. "We were jammin' on ideas," Mr. Kalanick recalls. "What's next, what's the next thing, and Garrett said, 'I just want to push a button and get a ride.' And I'm like, 'That's pretty good.' He said 'Travis, let's go buy 10 Mercedes S-Classes, let's go hire 20 drivers, let's get parking garages and let's make it so us and a hundred friends could push a button and an S-Class would roll up, for only us, in the city of San Francisco, where you cannot get a ride.' This wasn't about building a huge company, this was about us and our hundred friends."  
>

> It took another year to get going as a real company, even a small one. At one point early in 2010, Mr. Kalanick says, he asked himself: "Do I really want to run a limo company?" He Googled "San Francisco limousine" and started calling existing companies to try out the idea. "Three of them hung up, four of them were 'maybe' and another three were super pumped."

>

> That was good enough to suggest that he was onto something. Uber launched as an iPhone app in June 2010. The cars that iPhone users summon are typically town cars owned by a limousine company but not on a call. Instead of idly waiting for work, the nearest available driver answers the app call. Other cars are simply privately owned vehicles whose drivers have been vetted by Uber.

>

> The idea worked. How could Mr. Kalanick tell? Four months after the launch in San Francisco, Uber was served with a "cease and desist" order from the California Public Utility Commission and the San Francisco Municipal Transportation Agency. "Given my background," Mr. Kalanick says, alluding to being sued at Scour.com<<http://Scour.com>>, "this was like homecoming." He verified with his lawyers that what Uber was doing was indeed legal, then the company took its case to the public through Twitter and email.

>

> "Did you ever cease?" I asked. "No." "Did you ever desist?" "No." "So you basically ignored them?"

>

> As he talks, Mr. Kalanick paces around the conference room carrying a golf putter. The more wound up he becomes, the more he seems likely to break a window than practice his stroke. "The thing is, a cease and desist is something that says, 'Hey, I think you should stop,' and we're saying, 'We don't think we should.' The only way to deal with that is to be taken to court, and we never went to court."

>

> But Uber did have to meet with the San Francisco Municipal Transportation Agency, where the woman in charge of taxis "was upset," Mr. Kalanick says. "Oh man, I've never. . . . She was fire and brimstone, deep anger, screaming. But here's the thing, SFMTA has no jurisdiction on what we do. They regulate taxis. Every single limo company we work with is licensed and regulated by the state of California."

>

> Ultimately, he says, the question boiled down to this: "Are we American Airlines or are we Expedia? It became clear, we are Expedia."

>

> When I suggest to Mr. Kalanick that Uber, in the fine startup tradition, was using the "don't ask for permission, beg for forgiveness" approach, he interrupts the question halfway through. "We don't have to beg for forgiveness because we are legal," he says. "But there's been so much corruption and so much cronyism in the taxi industry and so much regulatory capture that if you ask for permission upfront for something that's already legal, you'll never get it. There's no upside to them."

>

> The crisis with the transportation agency lasted a few days and then faded. Meanwhile, Uber was trying to perfect its model, employing Ph.D.s to create algorithms to estimate demand and pricing to make the service efficient.

>

> Breaking their own rules and not wanting to get screamed at, Uber met with the New York Taxi and Limousine Commission, briefing commissioners on the company's success in San Francisco. "They gave us their blessing," Mr. Kalanick says, and Uber started operating in New York in May 2011. Soon a prominent newspaper article appeared about the company, and "the minute it hit the public, the taxi industry and black-car industry sees it and then the lobbyists get working and then they try to shut us down." As he notes, in New York there are 13,000 taxis with medallions that trade for close to \$1 million, implying a very profitable cash flow from fares. That's a lot of assets to protect.

>

> Uber met with New York officials and ended up getting a memo saying they were legit, for limos anyway. "This speaks to New York, they wanted to embrace innovation and they did," Mr. Kalanick says. That sounds like a big change for the Big Apple. "You can trace this to [Mayor] Bloomberg. If anyone gets technology disrupting an industry, he was there." As long as the drivers don't smoke or drink Big Gulps.

- >
- > Uber also launched in Chicago, where regulators tried to change the rules to block them, in Seattle with no problems, and in Boston, where a cease and desist was issued because the state's Division of Standards didn't have a standard for using GPS in commercial vehicles. The company ignored that one, too.
- >
- > Then, last year, came the clash with regulators in the city where they order red tape by the truckload: Washington, D.C. A month after Uber launched there, the D.C. taxi commissioner asserted in a public forum that Uber was violating the law.
- >
- > This time Uber was ready with what it called Operation Rolling Thunder. The company put out a news release, alerted Uber customers by email and created a Twitter hashtag #UberDCLove. The result: Supporters sent 50,000 emails and 37,000 tweets. Mr. Kalanick says that Washington "has the most liberal, innovation-friendly laws in the country" regarding transportation, but "that doesn't mean the regulators are the most innovative." The taxi commission complained that the company was charging based on time and distance, Mr. Kalanick says. "It's like saying a hotel can't charge by the night. But there is a law on the books, black and white, that a sedan, a six-passenger-or-under, for-hire vehicle can charge based on time and distance."
- >
- > In July, the city tried to change the law—with what were actually called Uber Amendments—to set a floor on the company's rates at five times those charged by taxis. "The rationale, in the frickin' amendment, you can look it up, said 'We need to keep the town-car business from competing with the taxi industry,'" Mr. Kalanick says. "It's anticompetitive behavior. If a CEO did that kind of stuff—you'd be in jail."
- >
- > He sits down and puts away the golf club. "A lot of my job is taking those kinds of things—anticapitalist taxi protectionism—and putting it in populist terms. What they're really saying when they put a floor on prices is that only wealthy people are allowed to get into town cars."
- >
- > As an experiment, the company launched UberTaxi in Chicago last year—another option in the app, to hail a taxi for a lower fare than a town car. "If there is to be a low-cost Uber, Uber will be the low-cost Uber," Mr. Kalanick says. Company reps met with the Chicago Taxi Commission, which told them they needed a taxi-dispatch license. So Uber obtained a license and for a while had no problems. The company's limo business in Chicago tripled and the taxi business soon equaled the limo business. But in the course of one week in October, Uber was sued by taxi and limousine companies, and Chicago regulators sent citations and filed a class-action suit on behalf of passengers.
- >
- > Rolling Thunder rolled out again, though this time the company broke the email list into 10 parts and sent out one-tenth every day, asking customers to let City Hall know what they thought. Mayor Rahm Emanuel's office received a constant torrent of emails, tweets and phone calls and, lo and behold, the regulatory threat went away. No permission, no plea for forgiveness.
- >
- > The day that I spoke with Mr. Kalanick, UberTaxi launched in Washington. Next month, a one-year trial of UberTaxi will start in New York City. "We already know how the trial will come out," he says. "We ran taxi dispatch in New York for six weeks. Drivers will make a lot of money."
- >
- > Uber investors seem to think they're onto a good thing too. The company raised \$37 million in exchange for a 10% stake over a year ago from Amazon CEO Jeff Bezos and others. Mr. Kalanick says that Uber currently has 170 employees, not including drivers, and he expects the total to reach 800-900 by the end of 2013, all without raising any more money. Uber sends work to tens of thousands of drivers, who log hundreds of thousands of hours behind the wheel per week. Imagine, a company stirring up all that economic activity without government stimulus money.
- >
- > What has Mr. Kalanick learned so far from his Uber experience? "The regulatory systems in place disincentive innovation. It's intense to fight the red tape." His advice for others: "Stand by your principles and be comfortable with confrontation. So few people are, so when the people with the red tape come, it becomes a negotiation."
- >

> The resistance to regulatory interference doesn't stem from a particular political stance. "My politics are: I'm a trustbuster. Very focused. And yeah, I'm pro-efficiency. I want the most economic activity at the lowest price possible. It's good for everybody, it's not red or blue."

>

> Back to the Table of Contents

>

> \_\_\_\_\_

>

> WATER – National

>

> \_\_\_\_\_

>

> Politics/General/Miscellaneous – National

>

>

> Sacramento Bee - Moderate Michael Rubio takes on California's environmental law

> By Torey Van Oot<<http://c5.zedo.com/ads2/f/1044151/3840/172/0/305001435/305001435/0/305/263/zz-V1-425x600New.html?a=i%3D0%3Bu%3DndWjUA@iaQXwhrlqEUMQe4uK%7E111412%3B1%3D1%3B2%3D1%3Be%3Di%3Bs%3D263%3Bg%3D172%3Bw%3D6%3Bm%3D400%3Bq%3D94102%3Bz%3D0.8586145357413695%3B;l=p;t=1359391974>>, January 28

>

> State Sen. Michael Rubio says he first wondered if something were wrong with California's environmental review law during his days as a Kern County supervisor, when he saw it used to slow wind and solar projects he considered green by their very nature.

>

> Now, just more than two years into his Senate term representing a large swath of the southern Central Valley, he is taking on fellow Democrats on the issue, moving to rewrite the California Environmental Quality Act, one of the most complicated and controversial policy issues under the dome.

>

> Making changes to "modernize" the law, a process he compares to updating an outdated iPhone app, is in Rubio's view "the most important issue facing California today."

> He is quick to praise the law, signed in 1970 by Republican Gov. Ronald Reagan, for bringing "tremendous good" to the environment and the state. But he said he was "shocked" to see projects that could improve the environment and public health "delayed significantly by misuses and abuses of a wonderful statute."

>

> Since joining the Senate in 2011, Rubio has gained a reputation as one of the upper house's more moderate Democrats. The move on CEQA puts him at odds with many of his colleagues, as well as interest groups representing a key Democratic constituency: environmentalists.

> It also endears him to a California business and agriculture lobby that has been pushing for regulatory changes for years.

>

> With his party holding a bare supermajority that allows Democrats to take virtually any action without Republican support, once-in-a-while defectors such as Rubio gain leverage, both in the caucus and among business interests that can give candidates a fundraising boost.

>

> "Someone like him, a moderate Latino Democrat representing a moderate district, has a much more elevated platform than he had before the Democrats won the two-thirds supermajority," said Ben Tulchin, a Democratic pollster. "If he becomes the go-to person for those groups, for industry in Sacramento, he's built a donor base and a profile that he couldn't have had before."

>

> Rubio, 35, says both his upbringing and a desire to vote in ways that stay true to his moderate district influence his positions in the Legislature. He has split from his party on key votes before, including voting no on legislative Democrats' budget in June 2012.

>

> "I was raised by a gun-slinging, spur-rearing Reaganite of a mother and they were very deep-rooted Republicans and conservatives," he said of his parents. "I guess that's where you could say I get my conservative bent."

>

> Years of complaints

> The offensive on CEQA is the culmination of years of complaints from developers and other critics who say the law is being misused to block projects for reasons other than environmental harm. Arguments that such lawsuits, and even the threat of litigation, are problematic and hurt economic development gained traction in the down economy, prompting lawmakers to approve exemptions for projects including a new football stadium in Los Angeles.

>

> Many of the law's supporters, however, say it doesn't need to be changed significantly. They point out that the percentage of projects sued under CEQA is small – about 1 percent by one analysis – and argue the law continues to provide important protections.

>

> Efforts by Rubio and his allies to put forward CEQA legislation at the end of last year's session met with resistance. Thirty-four Democratic legislators signed a letter urging leaders to shut down what they saw as "an end-of-session power play" to gut the law. Some of the state's major environmental groups also chimed in.

>

> Rubio shelved plans to push a bill after Senate President Pro Tem Darrell Steinberg signaled it would not move forward that year. "We always have to read the dynamics of the building," he said at the time.

> Just five months later, Rubio believes those dynamics have changed.

>

> Democratic Gov. Jerry Brown called in his State of the State address for revising the law. Steinberg gave Rubio the gavel of the Environmental Quality Committee and has pledged to make reviewing possible updates to the law a priority this session. The two have held a series of meetings with people involved in the issue and are working to hash out language on which they can agree.

>

> Rubio and his backers, including some of the state's major business coalitions and CEQA attorney and Democratic donor Tina Thomas, say they are committed to protecting the essence of the 42-year-old law, while finding fixes he says would limit uncertainty for those wishing to pursue responsible development.

> Chief among their goals is limiting lawsuits over aspects of a proposal that have already met certain planning or environmental standards.

>

> While Steinberg didn't agree with Rubio's approach on CEQA last year, he said he admired his colleague's willingness to stick his neck out on the issue. He said he expects Rubio to become a "force and an excellent policymaker as the years progress."

>

> "He's the kind of guy who's not afraid to get right back up when he gets knocked down, and he'll get knocked down a few times," Steinberg said. "He's not afraid to take on hard stuff."

>

> Planned on FBI career

> Rubio said a career in politics wasn't his goal as he was growing up in and around Shafter, a town of 17,000 in Kern County. A dream to become an FBI agent sent Rubio, the son of a farmworker and a school secretary, across the country to study criminology at the University of New Haven in Connecticut.

> He said he ultimately shed the "apolitical" views he held growing up, deciding in college he was a Democrat after a deal President Bill Clinton brokered with then-House Speaker Newt Gingrich allowed him to collect additional student aid and stay in school.

>

- > After graduating and serving a stint in the Peace Corps, Rubio returned to the Central Valley to work for a program focused on helping poor children. He started getting involved in local politics.
- > He signed on as an aide to former Democratic Sen. Dean Florez, then a member of the Assembly, in 2000. Florez said Rubio got the job by approaching him at a local parade.
- >
- > Motivated by his competitive streak and a sense there were "wrongs that needed to be righted," Rubio ran for office himself in 2004.
- >
- > "A supervisor at the time said, 'If you don't like the way I'm doing this, you can run against me,' " Rubio said. "I was 24 at the time, just about to be 25, and I said, 'You're on.' "
- > He toppled that supervisor, defeating Democrat Pete Parra, a major name in Central Valley politics, by 23 points to become the board's youngest-ever member. The leather shoes he wore thin as he knocked on 15,872 doors – twice each – during the campaign are mounted on his district office wall, a gift from Florez.
- >
- > "I think he has public service in his DNA," Florez said. "I think he wants to serve people. He comes from a really, really poor area, like I did. You see so many people not being served."
- >
- > Allies say the freshman senator's work ethic and demeanor raise their prospects for success this session.
- > "When Michael Rubio has a goal, he sets his sights on what it takes to achieve that goal," said Silicon Valley Leadership Group President Carl Guardino, a member of the CEQA Working Group coalition who trains for endurance races with the senator.
- >
- > Even with Rubio's drive and Steinberg's involvement, however, any proposal to change CEQA is likely to face significant opposition in the Legislature. The seats on the key committee Rubio chairs have been filled with some of the chamber's most vocal environmentalists, a decision Steinberg says was intentional. Democrats outside the committee are also skeptical.
- >
- > "I don't think that the so-called CEQA reform is the most urgent issue facing the state of California right now," said Sen. Noreen Evans, D-Santa Rosa. "It's just not."
- >
- > Kathryn Phillips, lead lobbyist for the Sierra Club of California, said she sees the potential for a compromise bill that would tackle some "low-hanging fruit" to make CEQA work better. But she characterized the types of changes sought by Rubio and his backers as misguided attempts by developers and other interests to use a down economy as an excuse "to go after something they haven't liked for some time."
- >
- > "It's getting him a lot of exposure, but I wish he would focus on something else that would be more productive," she said.
- >
- > Rubio has already explored at least one run beyond the Senate. Considered a contender for a swing congressional district in the last election, he decided to drop his candidacy after the younger of his two daughters was diagnosed with Down syndrome.
- >
- > For now, Rubio says he is focused on winning re-election to the state Senate in 2014. But he hasn't closed the door on a congressional or statewide run in 2018 or beyond. His allies don't shy from expressing support for his future political endeavors.
- >
- > "If he were a stock," Guardino said, "I would highly recommend people buy as many shares as they could."
- >
- > Back to the Table of Contents
- >
- >
- >

- > Los Angeles Times (Capitol Journal) - Brown's two key sentences
- > The governor touched only briefly on streamlining environmental regulations in his State of the State speech. But reformers are praising his goal of reforming the California Environmental Quality Act.
- > By George Skelton, January 28<<http://www.latimes.com/news/local/la-me-cap-brown-environment-20130128,0,7548335,full.column>>
- >
- > SACRAMENTO — Gov. Jerry Brown spoke only two sentences about streamlining environmental regulations in his State of the State address. But they inspired reformers to cheer.
- >
- > Could have fooled me. I was ready to pounce on him last week for scanty treatment, for kissing off the subject with only a brief reference, a throwaway line.
- >
- > But I'd have been wrong, say some experts, people who specialize in semantics and nuances.
- >
- > "I was delighted he even mentioned the need for regulatory reform and talked about California losing 1.3 million jobs" during the recession, says Gary Toebben, president and CEO of the Los Angeles Area Chamber of Commerce.
- >
- > It must be a low bar in Sacramento these days for business groups, what with a Democratic governor and complete Democratic control of the Legislature.
- >
- > But Brown is on a roll and seemingly can do little wrong, at least that draws harsh criticism. Winning passage of his Proposition 30 tax increase earned him bank vaults of political capital.
- >
- > "It was one of the finest speeches delivered in our Capitol in the past three decades," gushed Sen. Michael Rubio (D-East Bakersfield), chairman of the Senate Environmental Quality Committee and an advocate of regulatory streamlining.
- >
- > "When has a governor captured anything so eloquently? So much history and poetry?"
- >
- > Rubio is a Democrat. But even Republicans were pulling their punches.
- >
- > The two GOP leaders — Sen. Bob Huff of Diamond Bar and Assemblywoman Connie Conway of Tulare — were "encouraged" by the governor's words.
- >
- > Yes, it was a fine speech. Refreshing, in that the governor read from a text, not a teleprompter. It seemed more sincere that way. He wrote it himself as he always does, aides insist. He has no speechwriter.
- >
- > Brown did a clever thing: He asked the lawmakers seated in the Assembly chamber to hold their applause. That sped things up —and spared him from having to fret about how many times he "was interrupted by applause."
- >
- > It was vintage Brown: Quoted dead guys. Recalled California's glory. Preached bold vision.
- >
- > But two things he inexcusably ignored.
- >
- > One was California's enormous public pension liability. Pensions for state and local employees, including teachers, will cost roughly \$500 billion more over the next 16 years than the retirement systems have lined up, says Joe Nation, a Stanford professor who has extensively researched the dilemma.
- >
- > "It's the most serious financial problem facing the state, and that's why I'm so disappointed that so little attention is being paid to it," says Nation, a former legislator.
- >
- > The other ignored subject was gun control — on the day that California's Sen. Dianne Feinstein introduced a bill to restore the national ban on assault weapons.

- >
- > California's gun laws are among the toughest in the nation, but they're weakened by lack of federal controls on interstate trafficking. Brown should be pushing for President Obama's proposals.
- >
- > But he did offer these two sentences on regulatory reform, tucked snugly between comments about Enterprise Zones and China trade:
- >
- > "We also need to rethink and streamline our regulatory procedures, particularly the California Environmental Quality Act. Our approach needs to be based more on consistent standards that provide greater certainty and cut needless delays."
- >
- > One word — "standards" — inspired the reformers, who have formed a "CEQA Working Group," a coalition co-chaired by Guardino and Toeppen. "Standards" is a buzzword that's music to their ears.
- >
- > They're advocating statewide standards for compliance with environmental laws. They believe that would reduce and shorten the lawsuits aimed at torpedoing local development projects.
- >
- > The environmental quality act — CEQA — was signed by Gov. Ronald Reagan in 1970. It requires developers to undergo a lengthy public process of detailing their projects' potential environmental effects.
- >
- > "It's a great law," Guardino says. "But it's a great law that's often abused for non-environmental purposes. The law needs to be preserved, but protected from abuse."
- >
- > Too often, the act isn't used for environmental protection at all. It's the tool of business rivals trying to block competition or labor groups attempting to force unionization. They file — or threaten to file — drawn-out CEQA suits that strong-arm developers into withdrawal or submission.
- >
- > "Do you take your chance in court or make a deal with the unions or give [the plaintiffs] a lot of money or just walk away?" says veteran CEQA attorney Jennifer Hernandez of San Francisco, who usually represents the project sponsor. She also has environmental credentials as a longtime board member of the California League of Conservation Voters.
- >
- > "A lot of consultants and lawyers have gotten rich off the act," she adds.
- >
- > Brown's two sentences alarmed one environmental group, the Natural Resources Defense Council. It urged the governor "to reject efforts to weaken" the act, "which has provided protections against local pollution and health threats ... for more than 40 years."
- >
- > But Sacramento has piled on more than 100 additional environmental laws and created several regulatory agencies in those four decades, Hernandez says. It's time for some integrating and updating.
- >
- > "I don't remember hearing any Democratic governor talk before about the compelling need to modernize CEQA," Guardino says. "It's like Nixon going to China."
- >
- > Brown knows that fixing the act is necessary to really make California the engine of economic growth he proclaims it to be.
- >
- > Back to the Table of Contents
- >
- >
- >
- > San Francisco Chronicle - Major climate changes looming



> By Carolyn Lochhead<<http://www.sfgate.com/science/article/Major-climate-changes-looming-4227943.php#ixzz2JID8oy9O>>, January 27

- >
- > Washington -- In his inaugural address last Monday, President Obama made climate change a priority of his second term. It might be too late.
- >
- > Within the lifetimes of today's children, scientists say, the climate could reach a state unknown in civilization.
- >
- > In that time, global carbon dioxide emissions from burning fossil fuels are on track to exceed the limits that scientists believe could prevent catastrophic warming. CO<sub>2</sub> levels are higher than they have been in 15 million years.
- >
- > The Arctic, melting rapidly and probably irreversibly, has reached a state that the Vikings would not recognize.
- >
- > "We are poised right at the edge of some very major changes on Earth," said Anthony Barnosky, a UC Berkeley professor of biology who studies the interaction of climate change with population growth and land use. "We really are a geological force that's changing the planet."
- >
- > Wholesale shift needed
- > The Arctic melt is occurring as the planet is just 1.4 degrees Fahrenheit (0.8 degree Celsius) warmer than it was in preindustrial times.
- >
- > At current trends, the Earth could warm by 4 degrees Celsius in 50 years, according to a November World Bank report.
- >
- > The coolest summer months would be much warmer than today's hottest summer months, the report said. "The last time Earth was 4 degrees warmer than it is now was about 14 million years ago," Barnosky said.
- >
- > Experts said it is technically feasible to halt such changes by nearly ending the use of fossil fuels. It would require a wholesale shift to renewable fuels that the United States, let alone China and other developing countries, appears unlikely to make, given that many Americans do not believe humans are changing the climate.
- >
- > "Science is not opinion, it's not what we want it to be," said Katharine Hayhoe, an evangelical Christian and climatologist at Texas Tech University who was lead author of a draft report on U.S. climate change issued this month by the National Climate Assessment and Development Advisory Committee, which was created by the federal government.
- >
- > "You can't make a thermometer tell you it's hotter than it is," said Hayhoe, who with her husband, a linguist and West Texas pastor, has written a book on climate change addressed to evangelicals.
- >
- > "And it's not just about thermometers or satellite instruments," she said. "It's about looking in our own backyards, when the trees are flowering now compared to 30 years ago, what types of birds and butterflies and bugs that ... used to be further south."
- >
- > Robins are arriving two weeks early in Colorado. Frogs are calling sooner in Ithaca, N.Y. The Sierra Nevada snowpack is melting earlier. Cold snaps, like the one gripping the East, still happen, but less often. The frost-free season has lengthened 21 days in California, nine days in Texas and 10 in Connecticut, according to the draft climate report.
- >
- > Extreme weather
- > Scientists are loath to pin a specific event, such as Hurricane Sandy, to global warming.
- >
- > But "the risk of certain extreme events, such as the 2003 European heat wave, the 2010 Russian heat wave and fires, and the 2011 Texas heat wave and drought has ... doubled or more," said Michael Wehner, a staff scientist at Lawrence Berkeley National Laboratory and co-author of the climate report. "Some of the changes that have occurred are permanent on human time scales."

- >
- > Last year, the continental United States was the hottest it has ever been in the 118 years that records have been kept. Globally, each of the first 12 years of the 21st century were among the 14 warmest ever.
- >
- > Connecticut was 7.2 degrees Fahrenheit (4 degrees Celsius) warmer than the 20th century average. At current rates of CO<sub>2</sub> emissions, scientists expect New England to have summers resembling the Deep South within decades.
- >
- > The pine bark beetle, held in check by winter freezes, is epidemic over millions of acres of forests from California to South Dakota.
- >
- > Oceans, which absorb CO<sub>2</sub>, have increased in acidity, damaging coral reefs, shellfish and organisms at the bottom of the food chain. Washington state shellfish growers have seen major failures in oyster hatcheries because the larvae don't form shells.
- >
- > A report this month by the National Research Council, a public policy branch of the National Academies, said such changes in ocean chemistry in the geologic past were accompanied by "mass extinctions of ocean or terrestrial life or both."
- >
- > Tipping point
- > A key question is when greenhouse gas emissions might reach a point where changes become self-reinforcing and out of human control.
- >
- > Arctic sea ice reflects the sun. As it melts, the dark ocean absorbs more solar heat, raising temperatures. Similarly, the Greenland ice sheet is melting rapidly, reducing reflectivity and heating the Earth faster, possibly speeding up the melting of the West Antarctic ice sheet.
- >
- > The northern permafrost is thawing, with the potential to release methane, a potent greenhouse gas, and CO<sub>2</sub> stored in soils. These can produce sudden changes that are hard to predict.
- >
- > "We could be at a tipping point where the climate just abruptly warms," said Mark Z. Jacobson, director of Stanford University's atmosphere/energy program.
- >
- > Changes over time
- > UC Berkeley's Barnosky said tipping points could come earlier than anticipated when factoring in population growth and land use. More than 40 percent of the Earth's land surface has been covered by farms and cities. Much of the rest is cut by roads. By 2025, that footprint could reach 50 percent, a level that on smaller scales has led to ecological crashes, such as a fisheries collapse or an ocean dead zone.
- >
- > "It's just sort of simple math: The more people, the more footprint," Barnosky said. "If we're still on a fossil fuel economy in 50 years, there is no hope for doing anything about climate change. It will be here in such a dramatic way that we won't recognize the planet we're on."
- >
- > Not all climate scientists are so gloomy. Ashley Ballantyne, a bioclimatologist at the University of Montana who studies paleoclimate records, said the climate has always changed, with ice ages, warmings and mass extinctions. At current CO<sub>2</sub> concentrations, the Arctic and Greenland are likely to become ice free, as they were 4 million years ago, he said.
- >
- > Polar bears are poorly adapted to such conditions, he said, "but it wasn't bad for boreal trees. They were quite happy."
- >
- > An international political consensus set as a danger zone a global temperature increase of 3.6 degrees Fahrenheit (2 degrees Celsius), which is expected in 25 years based on current trends and when atmospheric concentration of CO<sub>2</sub> reaches 450 parts per million. It is now almost 400 parts per million.
- >

- > Two degrees Celsius is "an arbitrary number," said Alan Robock, director of the Center for Environmental Prediction at Rutgers University. "On our current path, we will go zooming way past that."
- >
- > Climatologist James Hansen, head of NASA's Goddard Institute for Space Studies, and activist Bill McKibben, founder of 350.org<<http://350.org>>, believe the only way to preserve the Holocene climate humans are used to is to cut CO{-2} concentrations to 350 parts per million, last seen around 1988.
- >
- > Ballantyne dismissed the 350 goal: "That's like a 70-year-old alcoholic saying, 'I'm going quit drinking when I'm 60 years old.' "
- >
- > McKibben and Hansen propose a tax on fossil fuels at their source, to be reimbursed to all U.S. residents, as Sen. Bernie Sanders, independent-Vt., plans to propose in a "fee and dividend" scheme modeled on Alaska's oil royalty rebates to state residents.
- >
- > Carbon tax unlikely
- > White House press secretary Jay Carney, asked Wednesday about the Sanders bill, said: "We have not proposed and have no intention of proposing a carbon tax."
- >
- > It would have to be a big tax, McKibben said, "that drives up the price quickly. Maybe you go to the pump someday and you're paying what people in Europe pay for gasoline, which is good, because then it reminds you every time you go to the pump that you don't really need a semi-military vehicle to go to the grocery store."
- >
- > Stanford's Jacobson maintains that wind and solar could power the world many times over. He calculated that the world would need to install 1.7 billion solar rooftops and 4 million wind turbines.
- >
- > Jane Long, chair of the California Council on Science and Technology, said any such conversion would be costly and difficult at best. Still, she said, "one way to get out of the hole is to stop digging."
- >
- > Back to the Table of Contents
- >
- > ###
- >
- >
- > Christopher Chow, Public Information Officer
- > CALIFORNIA PUBLIC UTILITIES COMMISSION
- > 505 Van Ness Avenue, San Francisco, CA 94102
- > (415) 703-2234, (415) 238-9940 –cell
- > [crs@cpuc.ca.gov](mailto:crs@cpuc.ca.gov)<<mailto:crs@cpuc.ca.gov>>
- >

## Castro, Stacie M.

---

**From:** Picker, Michael <Michael.Picker@cpuc.ca.gov>  
**Sent:** Monday, March 23, 2015 9:53 AM  
**To:** Randolph, Edward F.  
**Subject:** FW: follow-up request/ UT San Diego  
**Attachments:** ~WRD000.jpg; utsdlogo\_2012.gif; no examination quest16.pdf; ratepayers pay for 10 years.pdf; insert excel opp 3.pdf; warsaw pra.pdf; limit evid hearing 90.pdf; nunn good copy (2).pdf; six pages cpuc agreement to block pra.pdf; geesman demand for docus.pdf

Commissioner Michael Picker  
California Public Utilities Commission  
California Public Utilities Commission  
505 Van Ness, Fifth Floor  
505 Van Ness, Fifth Floor  
San Francisco, CA 94102  
San Francisco, CA 94102  
(415) 703-2444  
(415) 703-2444  
[Michael.Picker@cpuc.ca.gov](mailto:Michael.Picker@cpuc.ca.gov)  
[Michael.Picker@cpuc.ca.gov](mailto:Michael.Picker@cpuc.ca.gov)

---

**From:** jeff.mcdonald@utsandiego.com [mailto:[jeff.mcdonald@utsandiego.com](mailto:jeff.mcdonald@utsandiego.com)]  
**Sent:** Friday, March 20, 2015 4:12 PM  
**To:** Prosper, Terrie D.; Picker, Michael  
**Cc:** ricky.young@utsandiego.com  
**Subject:** follow-up request/ UT San Diego

Hi;  
I spent most of today reviewing Mr. Picker's testimony on the Cal Channel archive and noticed some additional apparent misstatements/ omissions. They include his failing to alert the committee that SCE did not secure a federal license amendment for the SGRP (which would have exposed design flaws); not mentioning that eight of the 10 intervenors were excluded from the SONGS settlement negotiations; that he attended the "Post-SONGS Strategy Dinner" at the California Club in July 2013 with Mr. Peevey, while the negotiations Mr. Peevey began in Warsaw were under way; and lastly, I included leftover notes from my JAN telephone interview with Mr. Picker, when I specifically asked him for his emails (he told lawmakers he had not been formally asked).

That's the gist of the story I filed today. If you choose to address any of these points or those raised by Mr. Aguirre, please email back as soon as possible. I copied my editor here so please Reply All if you do weigh in.

Thanks very much for bearing with me; I expect you both are quite busy these days.

Jeff

---

**From:** McDonald, Jeff  
**Sent:** Friday, March 20, 2015 9:19 AM  
**To:** 'Prosper, Terrie D.'; 'mp6@cpuc.ca.gov'  
**Subject:** FW: PICKER PROVIDES FALSE MATERIAL INFORMATION TO ASSEMBLY COMMITTEE, see video excerpts and attachments

Hi;

While you guys contemplate a response to Assemblyman Rendon's letter yesterday, I also would like a response to these allegations from San Diego lawyer Michael Aguirre. He has put together a series of apparent misstatements made by Mr. Picker in his committee testimony last Monday. My deadline will be 4pm today; sorry for late notice.

Thanks so much and all best,

Jeff



Jeff McDonald | Reporter  
619-293-1708  
jeff.mcdonald@utsandiego.com  
UTSanDiego.com  
350 Camino de la Reina, San Diego, CA 92108

**From:** Mike Aguirre [mailto:maquirre@amslawyers.com]

**Sent:** Wednesday, March 18, 2015 8:01 AM

**To:** 'Brandt, Alf'

**Subject:** FW: PICKER PROVIDES FALSE MATERIAL INFORMATION TO ASSEMBLY COMMITTEE, see video excerpts and attachments

ALF; There were no less than four instances in which Mr. Picker provided false responses to questions of the Chair. I earnestly request an opportunity to appear before the Committee to set the record straight. Again, the public was denied any public comment at the hearing, even though public comment was on the agenda. Thank You, Mike Aguirre

[http://calchannel.granicus.com/MediaPlayer.php?view\\_id=7&clip\\_id=2638](http://calchannel.granicus.com/MediaPlayer.php?view_id=7&clip_id=2638)

### **At 1:53:25: Decision to Make Ratepayers Pay 2/3 of Defunct San Onofre Plant**

**Picker:** "At the point that it became very clear that you could not make the system functional everything beyond that went to the cost of the utility."

**Correction:** Ratepayers pay for plant for next 10 years. No Edison customer bill shows **any reduction** attributed to the San Onofre settlement. (see ratepayers pay for 10 years attachment)

### **At 1:56:03 Impact of Warsaw Meeting on Final Decision to approve San Onofre "settlement."**

**Picker:** "It looked to me like it was built out of discussion and public testimony."

**Correction:** The Warsaw deal was followed by 35 secret meetings between Edison, CPUC-ORA, and TURN, none of their discussions was in the record. The "public testimony" for the 5 billion settlement was restricted to 90 minutes. It was during this meeting Peevey blew up and refused to state how many settlement discussions he had with Edison. Edison President Litzinger admitted under oath during this

meeting there was nothing in the record that would allow the CPUC to understand the strength of the case against Edison. (see excel sheet detailing secret meetings, order limiting hearing to 90 minutes)

### **1:58:15 When Will CPUC Release Warsaw Emails**

**Picker:** "I don't think we have been asked too" (release the Warsaw related emails)  
\*\* "We are all working very hard around the clock to grind through those other 220 public records act requests."

**Correction:** On 9 February 2015 a Public Records Act request asked for "and all records showing when any Commissioner or staff of any Commissioner first was informed of the meeting in Poland at which Mr. Peevey discussed a settlement of the OII, as described in the attached late-filed ex parte notice from Southern Cal Edison." **Also see demand filed with CPUC requiring Edison to produce emails.** The CPUC has hired very expensive lawyer to stall and stonewall production. (See attorney agreement for representation of CPUC not production of PRA requests)

### **2:00:02 Why Should Edison Rather Than Edison Should Get \$\$ from Mitsubishi Settlement**

**Picker: Whether Edison should receive settlement recover turned on "Whether they fairly and honestly procured equipment."**

**Correction:** Edison admits, "The extensive proceedings in this OII to date have not included an examination of whether SCE **acted reasonably** in replacing the steam generators at SONGS Units 2 and 3." (Response to Question 16) The investigation into whether Edison acted reasonably was put on hold on 10 Dec 2012, the Peevey-Pickett deal in Warsaw to kill the investigation altogether was made in March 2013, Warsaw was followed by 35 secret meetings with CPUC-ORA, Edison, and TURN. The rationale for the settlement including Edison's recovery from Mitsubishi was not that Edison acted reasonably but that ratepayers were to receive a \$1.4 billion refund. Picker wisely did not attempt to justify the settlement on that ground since there is no Edison customer bill showing any such refund. The reason the proceedings became so heated before the CPUC was the absolute refusal of Peevey, Picker and Florio to allow any inquiry into whether Edison acted reasonably in obtaining the new steam generators. Much evidence shows they did not, e.g. Edison did not obtain an required safety license amendment. A Nov 2004 Edison letter admitted facts showing a license amendment was required.

(seen Nunn letter attachment)

*Southern California Edison*  
SONGS OII 1.12-10-013

**DATA REQUEST SET Ruth Henricks-SCE-008**

**To:** RUTH HENRICKS  
**Prepared by:** Walker Matthews  
**Title:** Senior Attorney  
**Dated:** 04/16/2014

---

**Question 16:**

16. Please admit that the “extensive proceedings in this OII” you mention in your motion to adopt did not include an examination of whether SCE acted reasonably in connection with deploying the SRGs in the SRGP.

**Response to Question 16:**

SCE objects to this request on the grounds that the word “deploying” is vague and ambiguous in this context. Subject to and without waiving this objection, SCE responds as follows:

The extensive proceedings in this OII to date have not included an examination of whether SCE acted reasonably in replacing the steam generators at SONGS Units 2 and 3.

**Castro, Stacie M.**

---

**From:** Randolph, Edward F. <edward.randolph@cpuc.ca.gov>  
**Sent:** Tuesday, July 16, 2013 4:50 PM  
**To:** Florio, Michel Peter; Khosrowjah,  
Sepideh  
**Subject:** Fwd: Letter to SCE re SONGS seismic studies  
**Attachments:** Letter to SCE re SONGS seismic studies.doc; ATT00001.htm

Here is the letter on the SONGS seismic studies.

Sent from a "smartphone" which helps us communicate but makes us illiterate.  
Edward Randolph

Begin forwarded message:

**From:** "Kahlon, Gurbux" <[gurbux.kahlon@cpuc.ca.gov](mailto:gurbux.kahlon@cpuc.ca.gov)>  
**Date:** July 16, 2013, 4:46:05 PM PDT  
**To:** "Randolph, Edward F." <[edward.randolph@cpuc.ca.gov](mailto:edward.randolph@cpuc.ca.gov)>, "Greene, Eric" <[eric.greene@cpuc.ca.gov](mailto:eric.greene@cpuc.ca.gov)>, "Lafrenz, Donald J." <[donald.lafrenz@cpuc.ca.gov](mailto:donald.lafrenz@cpuc.ca.gov)>  
**Subject:** Letter to SCE re SONGS seismic studies

Here is the letter changed to Florio's name.



**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 16, 2013

Les Starck  
Sr. Vice President, Regulatory Affairs  
Southern California Edison Company  
2244 Walnut Grove Avenue  
Rosemead, CA 91770

Re: Low Energy 2-D and 3-D SONGS Seismic Studies

Dear Mr. Starck:

With SCE having made the decision to shut down the San Onofre Nuclear Generating Station (SONGS) Units 2 and 3, I would like to make sure that Southern California Edison (SCE) does not suspend the low energy 2-D and 3-D seismic studies authorized by the CPUC in decision D.12-05-004. It is my understanding that some of these studies were well underway before the announcement of the shut down in June 2013, and SCE as well as the vendors have already incurred much of the cost related to these studies. Given that much of the costs are sunk costs already, SCE should continue to perform the low energy 2-D and 3-D off shore surveys and on-shore seismic monitoring in the vicinity of SONGS. The studies will provide important information for emergency preparedness, public health and safety, and public information.

Initially, SCE's seismic research projects were designed to be responsive to recommendations by the California Energy Commission (CEC), as stated in its AB-1632 report. SCE needed to develop an active seismic hazards research program for SONGS to assess whether there are sufficient design margins at SONGS to avoid major power disruptions. SCE also needed to complete certain seismic studies to determine the vulnerability of SONGS to an extended outage following a seismic event. There were also activities associated with Nuclear Regulatory Commission (NRC) initiatives requiring all licensees to re-evaluate the seismic hazard at their sites using available updated seismic hazard information and present-day regulatory guidance.

SCE developed a seismic program consisting of 11 projects. These include reviews of historical marine geophysical data, Global Positioning System (GPS) monitoring, and marine terrace and coastal deformation investigations, low energy 2-D and 3-D off-shore surveys, bathymetry data, seafloor sediment sampling, seismic monitoring using on-shore and off-shore ocean bottom seismometers (OBS), data acquisition and processing, and high energy off-shore surveys. The last project is now canceled because the California Coastal Commission denied a permit because of concerns of detrimental effects to the marine environment.

I understand that as a result of SCE's decision in June 2013 to retire SONGS Units 2 and 3, SCE needs to re-evaluate the scope of work for these remaining seismic projects. Based on information SCE has provided to the CPUC's Energy Division, SCE has incurred to date approximately \$6.6 million in cost for these projects. Vendors contracted to perform the studies have indicated to SCE that they have

approximately \$4.5 million in sunk costs for the research projects and \$1.2 million for NRC-required work which is yet to be invoiced. SCE indicates that the incremental cost to complete the research projects is approximately \$9.7 million. The cost to complete the NRC-required work is expected to be below \$10.1 million.

While SCE re-evaluates its seismic study plans in light of the closure of the plant, my guidance to SCE is to not suspend the low energy 2-D and 3-D studies. Because of the continued storage of spent nuclear fuel in the wet spent fuel pool for several more years, and the continuation of spent fuel storage in dry casks in the Independent Spent Fuel Storage Installation (ISFSI) indefinitely for SONGS Units 1, 2, and 3, we believe it is important for public health and safety, public information, and emergency preparedness that these seismic studies continue to completion.

When completed, a more comprehensive assessment of seismic hazards for the off-shore and on-shore fault system will be available. The proposed surveys will further define recent seismic activity, slip rates, and seismogenic potential of the faults in the area surrounding SONGS in San Diego and Orange Counties. As SCE has indicated all the data collected and derivative products will be made available to the public.

As you know, the CPUC created an Independent Peer Review Group (IPRG) to provide guidance and review of the results of these enhanced seismic studies. It is very important to the IPRG and the CPUC that SCE remain on schedule and within budget to complete these seismic projects. The IPRG is assessing the need for these studies in light of SCE's plans for shutdown of the plant. We will subsequently provide guidance to SCE on the rest of the seismic projects based on the IPRG's recommendations.

Sincerely,

Michael Florio  
Commissioner, CPUC

cc: Michael Peevey  
Catherine Sandoval  
Mark Ferron  
Carla Peterman  
Paul Clanon  
Service List A.11-04-006

**Castro, Stacie M.**

---

**From:** Florio, Michel Peter <MichelPeter.Florio@cpuc.ca.gov>  
**Sent:** Sunday, March 31, 2013 9:50 PM  
**To:** Randolph, Edward F.  
**Subject:** RE: Meeting with Peevey Thursday

**Categories:** Red Category

Yes, I have only a 2:30 meeting that afternoon. Lunch would be fine. THANKS and welcome back! Mike

---

**From:** Randolph, Edward F.  
**Sent:** Sunday, March 31, 2013 2:59 PM  
**To:** Florio, Michel Peter  
**Cc:** Gonzalez, Nuria  
**Subject:** Meeting with Peevey Thursday

Commissioner Florio,

Commissioner Peevey asked me to set up a meeting with him for you and me next Thursday after the Commission meeting. (We were both having email problems in Poland so he asked me to set it up when I got back). He suggest lunch or dinner (but I need to be in Sacto late in the day). For now Commissoner Peevey would like to keep this meeting to just the three of us. I am happy to come by and explain the topic in person (or on the phone).

Can we make something work for Thursday?

**Castro, Stacie M.**

---

**From:** Peevey, Michael R. <michael.peevey@cpuc.ca.gov>  
**Sent:** Saturday, February 09, 2013 1:22 PM  
**To:** Randolph, Edward F.  
**Subject:** Re: advice

**Categories:** Red Category

Poland only. Why? Same people to Australia as last year to China. Some new people to Poland, as well as legislators. More long term benefit.

---

**From:** Randolph, Edward F.  
**Sent:** Saturday, February 09, 2013 08:11 AM Pacific Standard Time  
**To:** Peevey, Michael R.  
**Subject:** advice

Thank you for suggesting to Pat Mason that he invite me on the Poland trip. I do want to go but it creates a dilemma in terms of the Aspen Accord Trip to Australia. I am not sure the optics work to well for me to go on both (let alone being out of the office that much once you add in a personal vacation this summer). I can see benefits from both trips. I think the Aspen Accord trip will be more directly related to some issues I am involved in right now, but I suspect the relationship benefits from CFEE may be a little higher.

Since you have done a number of trips with both groups, I am interested in your advice on which (or even both) trips I should do.