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## PUC judge approves proposed San Onofre settlement



The San Onofre Nuclear Generating Station in San Clemente closed permanently after a 2012 breakdown. (Allen J. Schaben / Los Angeles Times)

By JEFF MCDONALD

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Five months after owners of the failed San Onofre nuclear plant agreed to slice hundreds of millions of dollars from the cost to ratepayers of the 2012 breakdown, a California Public Utilities Commission judge has endorsed the proposed settlement.

If the full commission also approves the decision, customers of Southern California Edison and San Diego Gas & Electric will see their share of the \$4.7 billion in closure

costs reduced by \$775 million. Under the original deal, ratepayers would have paid \$3.3 billion of the costs.

Without commission approval, the settlement of a federal lawsuit challenging the 2014 plan that charged utility customers 70% of the nearly \$5 billion in closure costs has languished. The ruling from Judge Darcie Houck, released late Monday, makes it more likely customers will save money from the previous arrangement.

The only amendment imposed by the judge regards \$25 million that was supposed to be paid by the utilities to study the effects of greenhouse gas emissions.

That payment was first negotiated at a secret meeting in Warsaw, Poland, between former commission President Michael Peevey and an Edison executive, according to records previously disclosed in the commission investigation.

The specific deal point became part of a criminal investigation into the utilities commission conducted by the state attorney general's office.

Attorney Maria Severson, who sued Edison and the utilities commission in federal court to try to overturn the initial San Onofre deal, praised the ruling.

"It is great news for ratepayers," she said. "By doing this, the ratepayers will avoid paying the last five years of what they were charged under the original settlement agreement."

Severson and her law partner, former San Diego City Atty. Michael Aguirre, lost their case before a U.S. district judge in 2015. But more than a year later the U.S. 9th Circuit Court of Appeals agreed to hear the case.

The decision by federal appeals judges prompted attorneys for Edison and SDG&E to open settlement negotiations, and early this year all parties to the case announced the

agreement to stop charging utility customers for many of the closure costs after December 2017.

The deal was calculated to trim \$775 million or more from the residential and commercial utility bills through 2022.

For 6.4 million customers across Southern California, the savings will total \$121 on average over four years.

The five commissioners are expected to consider the judge’s proposed decision later this year. If approved, ratepayers would collect a refund equal to costs paid between December and whenever the approval is formally adopted.

The status of the state criminal investigation is not clear. The attorney general’s office executed at least six search warrants, but no charges have been filed.

[jeff.mcdonald@sduniontribune.com](mailto:jeff.mcdonald@sduniontribune.com)

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