



**East Bay Clean Power Alliance**  
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**To:** East Bay Community Energy Board Members

**Cc:** EBCE Board Member Alternates

EBCE Community Advisory Committee Members

**Subject:** East Bay Clean Power Alliance Opposes Nuclear Allotment

December 11, 2019

Dear East Bay Community Energy board members,

East Bay Clean Power Alliance Opposes Nick Chaset's Nuclear Proposal. At the EBCE Executive Committee meeting, November 22, CEO Nick Chaset presented details about a proposed [procurement of nuclear energy from PG&E](#)<sup>1</sup>.

EBCEPA writes to emphasize our position that nuclear power has no place in EBCE's energy mix. We urge the Board of Directors to reject any nuclear energy being offered by PG&E. Our position is based on the following points.

### **A Trojan Horse**

We view this nuclear offer as a PG&E Trojan Horse for undermining Community Choice programs. Accepting the nuclear allotment serves to extend operation of Diablo Canyon, and it will certainly do grave public relations damage to EBCE. Instead of serving community needs for cleaner energy, EBCE would be jeopardizing public safety to serve PG&E shareholder interests—the same formula at issue with California's deadly wildfires.

### **Nuclear energy endangers public safety**

From the earliest stages of EBCE's formation the overwhelming understanding of those involved was that the agency would not include nuclear energy in the resource mix.

Nuclear energy is the dirtiest and most immediately dangerous source of energy on the planet. It is plagued by unsolvable waste problems and the demonstrated deadly contamination issues demonstrated by disasters such as Three Mile Island, Chernobyl, and Fukushima.

Nick Chaset's proposal to include nuclear in our energy mix is a violation of EBCE's commitment to provide cleaner, safer energy.

### **Accepting nuclear energy extends nuclear power in California and undermines Community Choice**

The consequence of EBCE and potentially other Community Choice programs accepting nuclear into their resource mix serves as an argument for continued operation of Diablo Canyon Nuclear Power Plant. The broad movement in California to shut down this dangerous facility continues to push for decommissioning it as soon as possible, as early as next year, despite the CPUC's acceptance of a 2025 closure date proposed by PG&E.

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<sup>1</sup> [PG&E is offering "carbon-free" energy](#) made up of 70% nuclear and 30% large hydro. Chaset's report proposed three options for the Board of Directors to consider: (A) accepting the offer as is, (B) accepting the large hydro and rejecting the nuclear, or (C) accepting the offer, but relegating all of the nuclear to the lowest cost Bright Choice power option

PG&E no longer needs the “carbon-free” energy from the nuclear plant and loses nearly a billion dollars a year in stranded asset costs associated with the energy produced. That is a billion dollars that is figured into the PCIA fees that Community Choice customers are forced to pay, and which undermines local development programs. Community Choice would be best served by decommissioning Diablo Canyon as soon as possible to reduce the stranded assets cost contributing to these fees, rather than justifying continued operation of the nuclear facility by procuring its energy.

If EBCE’s Board of Directors approves accepting nuclear, it will set a precedent for other agencies to do the same. This will not only undermine EBCE local development goals, but also damage the reputation of Community Choice as an alternative to the incumbent for-profit utilities.

### **Accepting nuclear is a slap in the face of a nuclear-free Bay Area**

The Bay Area has a long history of fighting nuclear energy. We have yet to hear of one community organization that is not shocked by and vehemently opposed to the prospect that EBCE accept nuclear power at PG&E’s behest. At least two city-members of EBCE, Berkeley and Oakland are declared nuclear-free cities. Residents of those cities and others throughout the East Bay would see EBCE’s adoption of nuclear power as a violation of public trust. It would justifiably undermine community support for the agency.

### **Nuclear option C discriminates against low-income customers**

One of Nick Chaset’s options would be to allocate nuclear energy only to the lowest cost, Bright Choice option, dumping the dirty, dangerous nuclear power on low-income customers. This is the definition of environmental injustice, and violation of state environmental justice mandates. One response being considered is for cities to opt up all accounts to higher priced nuclear-free options like Renewable 100. This action would impose extra costs onto customers who can least afford it, another discriminatory practice that violates the clear intent of the Community Choice law, AB 117, to provide competitive options to the investor-owned utilities.

### **This is a misleading and deceptive proposal**

Nick Chaset implies that this offer from PG&E is somehow related to the on-going PCIA negotiations. However, there are many questions about this relationship. How does accepting this PG&E offer affect those negotiations?

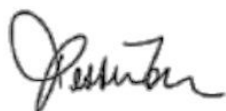
Chaset sites the \$16 million potential savings to EBCE, but offers no accounting of what the actual costs and savings would be. Decommissioning of Diablo Canyon should remove nearly a billion dollars a year currently covered by the PCIA, which would likely result in a much greater savings to EBCE than \$16 million. Accepting nuclear might actually result in losses given the community disaffection that would result. We also find it deceptive of Nick Chaset to refer to the “additional” \$11 million that EBCE would need to pay for alternative “carbon-free” energy if EBCE declines PG&E’s nuclear offer. That \$11 million is already budgeted for carbon-free energy that does not pose huge risks to California’s communities.

In short, framing a proposal simply in terms of claimed savings, rather than as a weighing of costs and benefits, is the same sleight of hand that is usually the hallmark of the investor-owned utilities.

### **In Conclusion**

We urge the EBCE Board of Directors to soundly reject nuclear Options (A) and (C).

Sincerely,



Jessica Tovar, East Bay Clean Power Alliance