

RESOLUTION NO. 12-61

A RESOLUTION OF THE TOWN COUNCIL OF FAIRFAX URGING A SHUT
DOWN OF SAN ONOFRE NUCLEAR POWER PLANT AND DIVERSION OF
RATEPAYER FUNDS TOWARDS SECURE RENEWABLE ENERGY SOURCES

WHEREAS Southern California Edison's (Edison) four replacement steam generators manufactured by Mitsubishi for the two nuclear reactors at their San Onofre site were shut down after one of their tubes failed and released radiation in January 2012, after less than two years of operation, while the original equipment operated for 28 years; and

WHEREAS Edison informed the Nuclear Regulatory Commission (NRC) that the replacement steam generators would be "like for like" or "in kind," that is, fabricated to the same design specifications as the original San Onofre Combustion Engineering steam generators, but in fact, have significant design changes from the original steam generators; and

WHEREAS design calculations for the replacement steam generators were wrong by a factor as high as 400%; and

WHEREAS the NRC has reported that design flaws have led to the malfunction of the new steam generators; and

WHEREAS the replacement steam generators in San Onofre Unit 2 and Unit 3 are identical and are both showing excessive, early tube wear that the NRC confirms poses a serious safety problem; and

WHEREAS a thorough NRC licensing amendment process would have likely brought attention to the replacement steam generator design problems, thus preventing use of the faulty designs and the ultimate shutdown of the San Onofre nuclear facility; and

WHEREAS failing again now to subject the replacement steam generators at San Onofre to the rigorous and transparent review of the NRC licensing amendment process risks repeating dangerous errors; and

WHEREAS the consequences of regulators inadequately ensuring nuclear reactor safety are potentially severe, as witnessed in the explosion at Chernobyl and reactor meltdowns at Fukushima Daiichi, which have caused: death, significant health concerns, loss of homes and businesses, and negative impacts in communities as far as thousands of miles from the power plants themselves; and

WHEREAS there is no agreed, safe long-term solution to storing nuclear waste; and

WHEREAS in a decision filed on December 15, 2005, the CPUC allocated \$680 million dollars to be paid by ratepayers for four replacement steam generators manufactured by Mitsubishi at Southern California Edison's (Edison) San Onofre Nuclear Generating

Station (\$569 million for replacement steam generator installation, and \$111 million for removal and disposal of the original steam generators), with a reasonableness review required for expenses beyond this amount and a maximum ratepayer collection cap of \$782 million; and

WHEREAS ratepayers are at risk of paying not only for the crippled replacement steam generators, but also potentially for costs associated with the outage and with the equipment repair or replacement; and

WHEREAS the California Public Utilities Commission Division of Ratepayer Advocates reports that SCE customers are paying about \$54 million a month for operating and maintenance costs of the San Onofre Nuclear Generating Station while the facility is not producing any power, and recommends removing the San Onofre facility from rate would to prevent this from continuing; and

WHEREAS an Order of Investigation (OII) by the California Public Utility Commission is needed to determine, in a transparent, public process, which parties are responsible for paying for the costs associated with the faulty replacement generators, including the costs incurred during the shutdown (for example, replacement power, inspections, monitoring) and the cost of any repairs; and

WHEREAS expenses for the San Onofre reactors will potentially increase further with seismic upgrades in the wake of advancing earthquake science, lessons learned from the nuclear disaster at Fukushima Daiichi, and seismic studies underway that California's nuclear power plant operators have been mandated to undertake by the State of California; and

WHEREAS the State of California has further mandated that coastal power plants end once-through cooling (OTC) technology due to the damaging impacts on sea life, and both San Onofre and Diablo Canyon nuclear power plants are currently undergoing feasibility studies for upgrades to their OTC systems, which would be extremely costly when implemented; and

WHEREAS ratepayers in the communities surrounding San Onofre are further burdened with being unable to obtain homeowner's insurance that covers damage caused by nuclear disaster; and

WHEREAS it is imprudent to rely on one centralized nuclear power plant for electricity, especially San Onofre which has proven to be unreliable and dangerous; and

WHEREAS it is therefore critical to create and implement strong contingency plans for alternative power sources to San Onofre, especially those deriving from conservation, energy efficiency and renewable resources, per the State of California's Loading Order, state mandated targets, and Governor Brown's Clean Energy Plan; and

WHEREAS the State of California has set aggressive goals for efficiency and renewable electricity installation, but has struggled to meet its targets on time; and

WHEREAS other nations, such as Germany and China, are outpacing the United States – and California – on renewable electricity installation, lowered costs of renewable technologies, such as solar photovoltaics, and renewable power technology manufacturing, which risks putting the United States and California at an economic disadvantage;

NOW, THEREFORE, BE IT RESOLVED, that the Fairfax Town Council urges the U.S. Nuclear Regulatory Commission to require that Edison undergo a public, transparent license amendment hearing regarding the replacement steam generators, before the San Onofre Nuclear Generating Station is allowed to restart; and

BE IT FURTHER RESOLVED, that the Fairfax Town Council strongly encourages the California Public Utilities Commission to 1) expeditiously initiate and complete an Order Instituting Investigation regarding the costs and reliability of the San Onofre Nuclear Generating Station and to compare the San Onofre facility to other energy sources used today and throughout the current licensing duration; and 2) to protect ratepayers from being held responsible for errors and/or malfeasance by San Onofre Nuclear Generating Stations' s operator, which led to faulty replacement steam generators being installed, ongoing outage expenses, and continuing repair costs; and 3) to immediately take the San Onofre power plant out of rate base; and

BE IT FURTHER RESOLVED, that additional incentives and programs are urgently needed to support the rapid installation of new power generation, power savings, and grid stabilizing technologies, which together can serve as an alternative to San Onofre; and that these new electricity solutions should prioritize efficiency and renewable energy resources, per the State of California's load order and mandated targets, and should also prioritize local, distributed generation, per Governor Brown's Clean Energy Plan.

PASSED AND ADOPTED at a regular meeting of the Fairfax Town Council on the 5th day of September, 2012 by the following vote:

AYES:

NOES:

ABSENT:

PAM HARTWELL-HERRERO, MAYOR

Attest:

Judy Anderson, Town Clerk