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Subject: Reject PG&E's Diablo Nuclear in Ava Community Energy

September 18, 2024

Dear Ava Community Energy Board Members,

In light of the upcoming September 18, 2024 vote, East Bay Clean Power Alliance and the undersigned representatives of community organizations in Ava Community Energy territory urge the Board of Directors to reject PG&E's offer of nuclear energy, as the Community and focus on increasing investments in true local clean energy infrastructure, support a decommissioning of Diablo Canyon and defend us customers from having to shoulder the burden of cost of PG&E's bad energy investments.

Background on Community Choice and Nuclear Energy in California

[Ava Community Energy](#) (formerly East Bay Community Energy, or EBCE), the public electricity agency servicing Alameda and San Joaquin Counties, is considering accepting PG&E's Diablo Canyon nuclear energy into its power mix. Community Choice programs in California were created to give the public the power to choose where their electricity comes from and what kind of energy it is (under California Assembly Bill 117 in 2002). In East Bay–Alameda County, the community effort led by the [East Bay Clean Power Alliance](#) has advocated for local clean energy through Ava Community Energy, with an emphasis on affordability, creating clean energy jobs, community wealth, less remote transmission, and combating climate change. Equity has been at the center of this effort since the beginning.

As Fukushima, Chernobyl and Three Mile Island have shown us, nuclear energy is dangerous and dirty and not just because of deadly nuclear meltdowns. Uranium mining, radioactive waste dumping, and lack of safe, long-term storage put workers, communities, and the environment at risk. This form of energy is not worth the potential fallout.

California has been phasing out nuclear power, since the abrupt closure of San Onofre (San Diego) due to radioactive leaks. In the meantime, the cost of keeping Diablo Canyon open has skyrocketed to over \$1 billion a year in losses—guess who is forced to pay for it? We are! PG&E offloads these costs to all customers in their territory, including Ava Community Energy customers and other residents serviced by Community Choice programs. This is done through the Power Charge Indifference Adjustment (PCIA) fee, enabled by the California Public Utilities Commission (CPUC) who act as a rubber stamp body for PG&E. This fee is in addition to transmission and distribution charges in our PG&E bills that also go towards subsidizing Diablo Canyon nuclear power plant.

Ava Community Energy and all other Community Choice programs could save tens of millions of dollars in customer costs if Diablo Canyon were to close, as the [Alliance for Nuclear Responsibility](#) has been urging the CPUC. The CPUC and Governor Gavin Newsom have instead extended Diablo Canyon's contract by 5 years (2030); the projected costs of continuing to run the aging plant are expected to exceed \$6 billion and leave workers and communities at risk. Additionally, acceptance of this nuclear offer only builds momentum for additional extensions that prevent Diablo Canyon from going into decommissioning.

History of PG&E's Nuclear in Ava Community Energy

In Spring and Fall of 2020, Ava Community Energy (then East Bay Community Energy - EBCE) staff proposed taking a nuclear allocation two different times to the Board and cities of Hayward and Albany; the attempts at

adding the nuclear energy were rejected by a majority. There was a common thread to each rejection, which was that East Bay Community Energy, now Ava Community Energy, was founded on the basis of being a 'clean energy' agency with a goal of achieving 100% renewable energy. The majority of the Board and community members did not want to have nuclear as part of Ava Community Energy's resources and hundreds of community members showed up to say the same, each time the proposal was made. Additionally, three Ava Community Energy cities are "nuclear free zones": Hayward, Oakland, and Berkeley.

In December of 2020 the agency staff reintroduced the PG&E nuclear offer a third time and recommended accepting the nuclear only if it could be sold to a third party, who would then share with the agency, 50/50, any profits made. East Bay Clean Power Alliance argued that there was an existing precedent that shows there is hardly a market for nuclear power in California and they likely would not find a buyer. Subsequently, staff failed to find any third party willing to take the nuclear power, because the market value of the energy was so low. Overall, 70% of PG&E's nuclear offer was rejected by the majority of Community Choice energy programs in California that year. The majority of Community Choice energy programs rejected the nuclear portion due to community outcry and focusing on goals towards renewable energy.

Since the earlier attempts by Ava Community Energy, the community also laid bare many misleading statements in addition to the bias made by the agency staff about the nuclear offer. We describe some of these along with the facts (in italics) below.

- The allotment of nuclear energy would be free.
Actually, Ava Community Energy will pay the wholesale price for unspecified energy for any allotment accepted. Only the "carbon-free" label or "attributes" are free. The agency would still have to pay for the energy.
- Ava Community Energy's resource mix would only reflect the "carbon-free" attributes of the allotment, not the percent nuclear.
Ava Community Energy's power mix would include the percent of nuclear that the allotment represented.
- Accepting this nuclear power would benefit Ava Community Energy by reducing energy costs.
As stated above, the reduced costs would only be for the carbon-free attributes. Meanwhile, if Ava Community Energy accepts the nuclear allotment it is a huge benefit to PG&E. Because PG&E owns Diablo Canyon, it must include all the nuclear energy the plant produces each year on its power content label. If PG&E cannot unload the excess nuclear energy, its power content would be greater than 50% nuclear, making PG&E's compliance with state mandates for renewable energy almost impossible. This is just another backhanded bail out of PG&E for their bad investments?
- Ava Community Energy customers have already paid for the energy through the PCIA fee.
The PCIA pays Ava Community Energy's share of the above market costs of operating Diablo Canyon. Nuclear energy has almost no value on the energy market, resulting in the yearly above market costs of running the aging Diablo Canyon nuclear plant to be in the billions of dollars. We are forced to pay the PCIA cost and that is what subsidizes PG&E and its nuclear power plant. It is to the advantage of the community that Ava Community Energy challenges the PCIA to protect its customers.

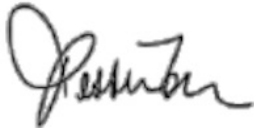
The Current Proposal Seeks to Undo a Previous Decision to Oppose PG&E's Nuclear & Throws Low Income People Under the Bus

At the April 17, 2024 Ava Community Energy board meeting there was a discussion item to consider PG&E's nuclear power and add it to [Ava Community Energy's Bright Choice](#) – the energy tier competitively priced below PG&E's rates. This is insulting to overburdened low-income customers, environmentally unjust, and [a "bait and switch" to Renewable 100 customers](#) who are currently paying a premium for the promise of clean, renewable energy. We can have affordability and other community benefits by staying on track and implementing the [Local Development Business Plan](#)—Ava Community Energy's own roadmap to clean energy investments.

Ava Community Energy has promised us the power to choose cleaner energy and local investments. Nuclear energy is a distraction and disinvestment from true renewable energy. We urge you to take action by upholding the decision from April 2020 by voting against accepting PG&E's Diablo Canyon nuclear energy in Ava Community Energy.

Vote for Ava Community Energy's "Scenario 0 – Do not accept nuclear!"

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessica Tovar', with a stylized, cursive script.

Jessica Tovar, East Bay Clean Power Alliance & Local Clean Energy Alliance

1. Asian Pacific Environmental Network
2. Bay Area System Change Not Climate Change
3. California Alliance for Community Energy
4. California Interfaith Power & Light
5. Californians for Energy Choice
6. Climate Equity Policy Center
7. Climate Justice Alliance (National Network)
8. Collective Resilience
9. Communities for a Better Environment
10. Ecology Center
11. Filipino Advocates for Justice
12. Greenbank Associates
13. Kehilla Community Synagogue Greening Committee
14. Little Manila Rising
15. Long Beach Alliance for Clean Energy
16. Movement Generation Justice & Ecology Project
17. North American Climate, Conservation and Environment (NACCE)
18. Oakland Climate Action Coalition
19. Our City SF
20. People's Climate Innovation Center
21. Public Bank of the East Bay
22. Reclaim Our Power: Utility Justice Campaign
23. Récolte Energy
24. Rose Foundation for Communities and the Environment
25. New Voices Are Rising
26. San Francisco Bay Physicians for Social Responsibility
27. SEIU 1021 COPE Committee
28. SEIU 1021 Climate Justice Committee
29. Sierra Club San Francisco Bay Chapter
30. SLO Climate Coalition
31. Sunflower Alliance
32. Sustainable Systems Research Foundation
33. Unitarian Universalist EcoSocialist Network