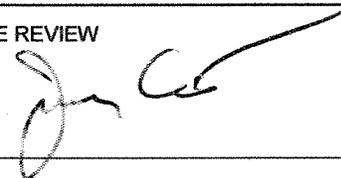


**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Board of Supervisors	(2) MEETING DATE March 9, 2010	(3) CONTACT/PHONE Adam Hill 805/781-5450	
(4) SUBJECT Request to approve a letter of support of PG&E's application to the California Public Utilities Commission for funding of 3D seismic mapping studies concerning Diablo Canyon Nuclear Power Plant.			
(5) SUMMARY OF REQUEST Supervisor Adam Hill is requesting support for the attached letter being sent to the California Public Utilities Commission.			
(6) RECOMMENDED ACTION It is recommended that the Board of Supervisors approve the attached letter concerning Diablo Canyon Nuclear Power Plant and authorize Chairperson Frank Meham to sign.			
(7) FUNDING SOURCE(S) N/A	(8) CURRENT YEAR FINANCIAL IMPACT N/A	(9) ANNUAL COST N/A	(10) BUDGETED? <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A
(11) OTHER AGENCY INVOLVEMENT/IMPACT (LIST): N/A			
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____			
(13) SUPERVISOR DISTRICT(S) <input type="checkbox"/> 1st, <input type="checkbox"/> 2nd, <input type="checkbox"/> 3rd, <input type="checkbox"/> 4th, <input type="checkbox"/> 5th, <input checked="" type="checkbox"/> All	(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A	(15) Maddy Act Appointments Signed-off by Clerk of the Board <input checked="" type="checkbox"/> N/A	
(16) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Board Business (Time Est. 30 min_)	(17) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig) <input type="checkbox"/> Contracts (Orig + 3 Copies) <input type="checkbox"/> Ordinances (Orig) <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Email Resolution and Ordinance to CR_Board_Clerk (in Word)		
(18) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A	(19) BUDGET ADJUSTMENT REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		
(20) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) _____	(21) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	(22) Agenda Item History <input checked="" type="checkbox"/> N/A Date _____	
(23) ADMINISTRATIVE OFFICE REVIEW 			

BOARD OF SUPERVISORS



1055 MONTEREY, ROOM D430 • SAN LUIS OBISPO, CALIFORNIA 93408-1003 • 805.781.5450

March 9, 2010

FRANK R. MECHAM, Supervisor District One
BRUCE GIBSON, Supervisor District Two
ADAM HILL, Supervisor District Three
KHATCHIK H. "KATCHO" ACHADJIAN, Supervisor District Four
JAMES R. PATTERSON, Supervisor District Five

Honorable Michael R. Peevey, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: PG&E's Application to Recover Costs of Diablo Canyon Seismic Studies

Dear President Peevey:

In 2006, the California Legislature enacted Assembly Bill 1632 (Blakeslee, Chapter 722, Statutes of 2006), which was codified as Public Resources Code 25303. AB 1632 directed the California Energy Commission (CEC) to assess the potential vulnerability of California's large, base load generation facilities, including the Diablo Canyon Nuclear Power Plant (DCPP) and San Onofre Nuclear Generating Station (SONGS), to a major disruption due to a major seismic event or plant aging and to assess the impacts of such a major disruption on system reliability, public safety and the economy.

In November, 2008, it was announced that the USGS had discovered a previously unknown significant fault potentially running within a hundred yards of Diablo Canyon Nuclear Power Plant. This new fault represents the second active fault in the immediate vicinity of the plant. The characteristics of the new fault, as well as its relationship with the first fault, are largely unknown.

Honorable Michael R. Peevey, President

March 9, 2010

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Following this discovery, the CEC issued the AB 1632 Report as part of its 2008 IEPR Update released in November, 2008. In the AB 1632 Report, one of the CEC's recommendations was that PG&E should use three dimensional (3-D) seismic reflection mapping and other advanced geophysical techniques to "help resolve uncertainties surrounding the seismic hazard at Diablo Canyon."

We are pleased that PG&E has filed an application seeking funding authorization from the CPUC to proceed with these supplemental seismic studies. We support approval of PG&E's application and we encourage the CPUC to approve the application and funding on an expedited basis so that PG&E may commence these critical seismic studies as soon as possible.

Sincerely,

Frank R. Mecham
Chair, Board of Supervisors

cc: CPUC Commissioner Dian M. Grueneich
CPUC Commissioner John Bohn
CPUC Commissioner Timothy Simon
Assemblyman Sam Blakeslee
State Senator Abel Maldonado
Congresswoman Lois Capps