

# County of San Luis Obispo

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## FOR IMMEDIATE RELEASE

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## MULTIMILLION DOLLAR AGREEMENT REACHED TO EASE IMPACTS OF DIABLO CANYON CLOSURE

SAN LUIS OBISPO, CA—The County of San Luis Obispo, in coordination with the San Luis Coastal Unified School District (SLCUSD) and a local Coalition of Cities, has reached a multimillion dollar settlement agreement with Pacific Gas & Electric Company (PG&E) to ease the local impacts of the impending closure of Diablo Canyon Nuclear Power Plant.

This agreement addresses the County’s concerns about how to cushion the impact of the plant’s closure on local public health, safety and economic stability. The settlement will provide \$122.5 million to \$147.5 million to address impacts to essential public services, the local economy, and offsite emergency planning efforts until the plant is fully decommissioned.

“PG&E is a valued community partner and its efforts to negotiate with us and address our major concerns related to the plant’s closure further confirms that PG&E cares about the future of our community,” said County Board of Supervisors Chair and District 4 Supervisor Lynn Compton.

The County served as the lead agency for the local area in negotiating the overall settlement agreement with PG&E. The agreement has four parts, which include:

1. A \$75 million Essential Services Mitigation Fund to offset the potential negative impacts to essential public services provided to the community. This will be distributed to the County in nine equal annual installments through 2025 and the County will redistribute the funds to 71 local agencies whose budgets are impacted by the inevitable decrease in unitary tax funding from the power plant. The SLCUSD will receive the bulk of this funding.
2. A \$10 million Economic Development Fund to ease the local economic impacts of the plant’s closure. The Coalition of Cities will receive \$5.76 million, the County will receive \$3.84 million, and the remaining \$400,000 will be allocated for regional economic development activities. The cities receiving portions of the fund include San Luis Obispo, Arroyo Grande, Atascadero, Grover Beach, Morro Bay, Paso Robles and Pismo Beach. Each agency will issue an annual report, which describes how the funds are used and assesses the resulting economic development measures or programs. The reports will be available to PG&E, the CPUC and the public.
3. Continued funding of offsite community and local emergency planning efforts until all spent fuel is in dry cask storage and the two nuclear reactors are fully decommissioned. Total funding in this area could range between \$37.5 million and \$62.5 million over the course of 15 to 25 years.
4. An agreement from PG&E that it will not take actions or make decisions on the re-use or sale of land surrounding the power plant, including Wild Cherry Canyon, until PG&E has completed a site-specific decommissioning plan with input from the community.

“The people of San Luis Obispo County and the future of our community have been our top concerns.

We will continue to work with PG&E and other local community partners to protect the public health, safety and economic security of the communities we serve,” said County Administrative Officer Dan Buckshi.

In June, PG&E revealed its plans to close Diablo Canyon by 2025 in a joint proposal with seven labor and environmental organizations. Soon after, the County intervened in the relevant rate hearing cases before the CPUC, which has the authority to approve or deny the joint proposal. As an intervener, the [County identified several points](#) that served as the framework for the community’s successful negotiations with PG&E. The County worked closely with PG&E, the SLCUSD and the Coalition of Cities during the negotiation process, and consulted with the State Board of Equalization and industry experts.

The County Board of Supervisors will receive an update on the settlement agreement on Dec. 6. All parties need to officially approve the agreement and submit it to the CPUC as a modification to PG&E’s original joint proposal. All elements of the joint proposal are subject to the CPUC’s review and approval.

“This groundbreaking agreement will soften the significant impact our community will feel once Diablo Canyon is no longer here,” said County Board Vice Chair and District 3 Supervisor Adam Hill. “There is still a difficult road ahead, but if we continue to work together, we will shape a prosperous future for our community. This collaborative effort is something we can all be proud of.”

More information can be found at [www.slocounty.ca.gov](http://www.slocounty.ca.gov).

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#### ABOUT THE COUNTY OF SAN LUIS OBISPO

The County of San Luis Obispo is one of the largest employers in the area with more than 2,800 individuals working to serve the community with pride to enhance the public’s economic, environmental and social quality of life. Established in 1850, the County has 23 departments working collaboratively to provide essential services that benefit local citizens. Elected representatives, including a five-member Board of Supervisors, work with employees to create a safe, healthy, livable, prosperous and well-governed community.