



OFFICE OF THE GOVERNOR

SEP 02 2022

To the Members of the California State Senate:

The purpose of this letter is to express my intent in signing Senate Bill 846, which supports the option to extend the Diablo Canyon Power Plant (DCPP) by five years to meet the State's energy reliability needs.

Climate change is causing unprecedented stress on California's energy system and I appreciate the Legislature's action to maintain energy reliability as the State accelerates the transition to clean energy. Senate Bill 846 facilitates the actions necessary to keep the option of the DCPP as a statewide reliability asset beyond the current 2024-2025 retirement dates of the plant's two units.

The bill includes a rate component specific to the DCPP that does not apply outside of the extended operation of the DCPP. The legislation provides that the rate component established in the bill is applied based on a customer's gross consumption of electricity. As there is no existing definition of "gross consumption" in Public Utilities Code, I understand "gross consumption" to mean each customer's total amount of electricity accessed from the grid. The rate provisions in this bill do not take effect until and unless DCPP enters a period of extended operations, beginning in 2024.

Sincerely,

Gavin Newsom

