

Motion Calls for Rate Cut for San Onofre Closure

LOS ANGELES (AP) — California regulators should immediately slash hundreds of millions of dollars from utility customer bills because the San Onofre nuclear power plant is being shut down permanently, a consumer advocate said Monday.

In a motion filed with the Public Utilities Commission, the state Division of Ratepayer Advocates argued that it's unfair to charge customers for a plant that does not, and never will again, generate electricity.

The twin-reactor San Onofre plant "has ceased power operation but continues to generate a full rate of return on its investment through its customer rates," the motion said. "To allow this scenario to continue would be to allow charges that are unjust and unreasonable."

The motion said operator Southern California Edison should give up about \$600 million in rates, and minority owner San Diego Gas & Electric should chop about \$185 million from bills.

However, the motion says some of those funds could be retained for security and plant safety.

SCE corporate parent Edison International announced this month it will close the plant for good after a long and costly fight over safety.

San Onofre hasn't produced power since January 2012, after a small radiation leak led to the discovery of unusual damage to hundreds of virtually new tubes that carry radioactive water in the plant's steam generators.

For months, the commission has been looking at costs tied to the faulty generators and who should pay the bill, customers or ratepayers. That review could take years to complete.

In a statement, SDG&E spokeswoman Stephanie Donovan said the company didn't expect the commission to make an immediate decision and would work "with all of the parties in this proceeding to determine what's in the best interest of customers." SCE spokeswoman Maureen Brown said in a statement the motion was premature and its conclusions "unfounded."

The commission "has set rates beginning in January 2012 as 'subject to refund,' so no party is disadvantaged by permitting the commission's reviews to run their course," Brown said.

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