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Electronic Submission
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Pacific Gas & Electric Company's (PG&E) Comments to October 1, 2011 Scope of Work Report as Revised by the State OTC Policy Review Committee for Nuclear-Fueled Power Plants Special Studies

The following are PG&E's comments for the revised Scope of Work Report provided by the State OTC Policy Nuclear Review Committee dated October 1, 2011. PG&E also anticipates that prior to finalization of the Scope of Work, the joint Utility's (PG&E and Southern California Edison [SCE]) will be provided the opportunity to further review and comment on both the format and content of the document to insure it adequately supports and can effectively be used in commercial contract bidding processes.

In general, the finalized document is intended to serve as part of the Independent Third Party (ITP) Consultant contracting effort, and therefore, PG&E believes several of the revisions incorporated should be removed, and other portions returned to the initial format. Additionally, PG&E is concerned with several text changes which could significantly alter the intended flow of the selected contractors work. The follow provide our detailed comments and suggested further revisions:

Section 3.3 Guidance for Feasibility Assessment - Criterion Checklist. Item 7. Structural

An evaluation of cost was added to Criterion 7 (Structural), however, the general intent of this item in the initial phase of a technology assessment is to evaluate existing site specific structural configurations, and determine if a plant site could realistically accommodate the technology. Projected technology costs should only be evaluated in the detailed Cost and Schedule portion of the assessment (Criterion 11) for those technologies that have passed through the initial non-nuclear specific general assessment phase (Criteria 1-9).

Section 3.4 Evaluation Process

The revised work scope includes the following in the evaluation process: "The general assessment criterion list provided should be considered first. Each technology shall be evaluated based on cost, engineering/construction, and operational factors." The initial general criteria assessment should not include a cost evaluation. Costs should only be evaluated for those technologies subject to the more detailed phase of assessment which includes Criterion 11. A suggested text revision is: "The general assessment criterion list provided should be considered first. Each technology shall be evaluated based on feasibility of successful permitting, engineering/construction, and site specific operational factors."

Section 4.0 Reporting Provisions

This section should be returned to the initial format directing the contractor to review and reference the document lists provided for each facility (initially incorporated as Appendix A and Appendix B to the work scope). As such, Section 8.0 'References Used in Developing Scope' should be deleted. The

documents lists were not used to develop the draft work scope, the lists are in fact intended to be references for, and supportive of, the selected contractor's work process.

Section 6.0 Schedule

The document is primarily intended to serve as a scoping and process outline for the Independent Third Party Consultant contracting. Therefore, no detailed commercial related schedule information should be included. Additionally, after further consultation with PG&E and SCE contract procurement organizations, minor modifications to the initially estimated contracting schedule are also necessary.

The following provides the schedule information that would be appropriate to include in the finalized work scope document. Additional process scheduling items, such as planned committee meetings, should be developed separately.

General Process Schedule (dates are tentative/approximate):

- Start Independent Third Party (ITP) Consultant RFP and Contracting Process - 11/15/2011
- Complete Selection and Contracting of ITP Consultant - 03/16/2012
- Initial Meeting of ITP Consultant and Nuclear Review Committee (RC) - March 2012
- Interim Report from ITP to RC Outlining Site Specific Feasibility of Technologies Provided in Work Scope. RC Determination on Technologies to Further Investigate - Summer 2012.
- 1st-Draft Comprehensive ITP Technologies Assessment Report to RC - March 2013
- 2nd-Draft Comprehensive ITP Technologies Assessment Report to RC - June 2013
- Final Technologies Assessment Report to SWRCB from Completed Review Process - 10/01/2013

In addition, the following text in the revision; "Board decision and implementation of technologies begins" is not an appropriate part of the work scope. In accordance with the current State Policy, the product of the nuclear-fueled power plants special studies process is intended only to inform the SWRCB. The Board may, upon conclusion of the special studies, modify the State Policy in relation to the nuclear power plants. Therefore, there should be no implied conclusions regarding actual or potential implementation of any technologies in the document.

Section 7.0 Budget and Invoicing

Budget and invoicing information should not be a portion of the work scope during the contractor selection process, and therefore this section should be deleted from the document.

Should you have any questions regarding the comment provided, or require additional information, please contact me directly at (916) 386-5709.

Sincerely,



Mark Krausse
Director, State Agency Relations

Cc: