



**ELECTRIC PRELIMINARY STATEMENT PART JQ** Sheet 1 (N)  
**DIABLO CANYON TRANSITION AND RELICENSING MEMORANDUM ACCOUNT** (N)  
**(DCTRMA)** (N)

**JQ. DIABLO CANYON TRANSITION AND RELICENSING MEMORANDUM ACCOUNT (DCTRMA)** (N)

1. **PURPOSE:** The purpose of the Diablo Canyon Transition and Relicensing Memorandum Account (DCTRMA) is to establish a tracking account used to record expenses related to preserving the option of and attaining renewed licenses for the Diablo Canyon Power Plant (DCPP) Units 1 and 2 beyond their current license expiration dates of November 2, 2024, and August 26, 2025, respectively, compared to government funding received for these relicensing activities. Expenses recorded to the DCTRMA include incremental costs related to the following activities: relicensing, permitting, development, construction, operations and maintenance, including necessary or appropriate improvements required for the License Renewal Application to the Nuclear Regulatory Commission (NRC), safety review by the Diablo Canyon Independent Safety Committee (DCISC), other state or local government permitting processes, and execution of safe and reliable operations during the Extended Operating Period, fuel purchases, spent fuel management (i.e., incremental dry cask storage costs), contract labor, incremental internal labor, and other expenses in connection with transitioning DCPP from existing operations into extended operations (i.e., beyond the current federal license period for Unit 1 and Unit 2), including a monthly performance-based transition fee of \$7 per megawatt-hour generated by DCPP Units 1 and 2 during the period before the start of extended operations up to a maximum of \$300 million. (N)
2. **APPLICABILITY:** The DCTRMA shall apply to all customer classes, except for those specifically excluded by the Commission. |
3. **REVISION DATE:** Disposition of the balances in this account will be determined by the Commission. |
4. **RATES:** The DCTRMA does not have a rate component. |
5. **ACCOUNTING PROCEDURE:** The following entries will be made to this subaccount each month or as applicable: |
  - a. A credit or debit entry equal to proceeds received from, or returned to, the Assembly Bill 180 or Senate Bill 846 agreements with the Department of Water Resources or from the United States Department of Energy's Civil Nuclear Credit Program; |
  - b. A debit entry equal to project costs necessary to extend DCPP operations, including incremental expenses related to: relicensing, permitting, development, construction, operations and maintenance, including necessary or appropriate improvements required for the License Renewal Application to the NRC, safety review by the DCISC, other state or local government permitting processes, and execution of safe and reliable operations during the Extended Operating Period; contract labor, and incremental internal labor; |
  - c. A debit entry equal to fuel purchases expenses, including the procurement of materials, products, and services necessary or appropriate to manufacture nuclear fuel for use at DCPP; |

(N)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART JQ** Sheet 2 (N)  
**DIABLO CANYON TRANSITION AND RELICENSING MEMORANDUM ACCOUNT** (N)  
**(DCTRMA)** (N)

5. ACCOUNTING PROCEDURE: (Cont'd) (N)
- d. A debit entry equal to spent fuel management costs, including the procurement of materials, products, and services necessary or appropriate to manage the DCPD spent fuel inventory, including the incremental dry cask storage costs; A debit entry equal to fuel purchases expenses, including the procurement of materials, products, and services necessary or appropriate to manufacture nuclear fuel for use at DCPD; |
  - e. A debit entry equal to the monthly performance-based transition fee of \$7 per megawatt-hour generated by DCPD Units 1 and 2 during the period before the start of extended operations up to a maximum of \$300 million; and |
  - f. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, upon approval by the Commission. |
- (N)