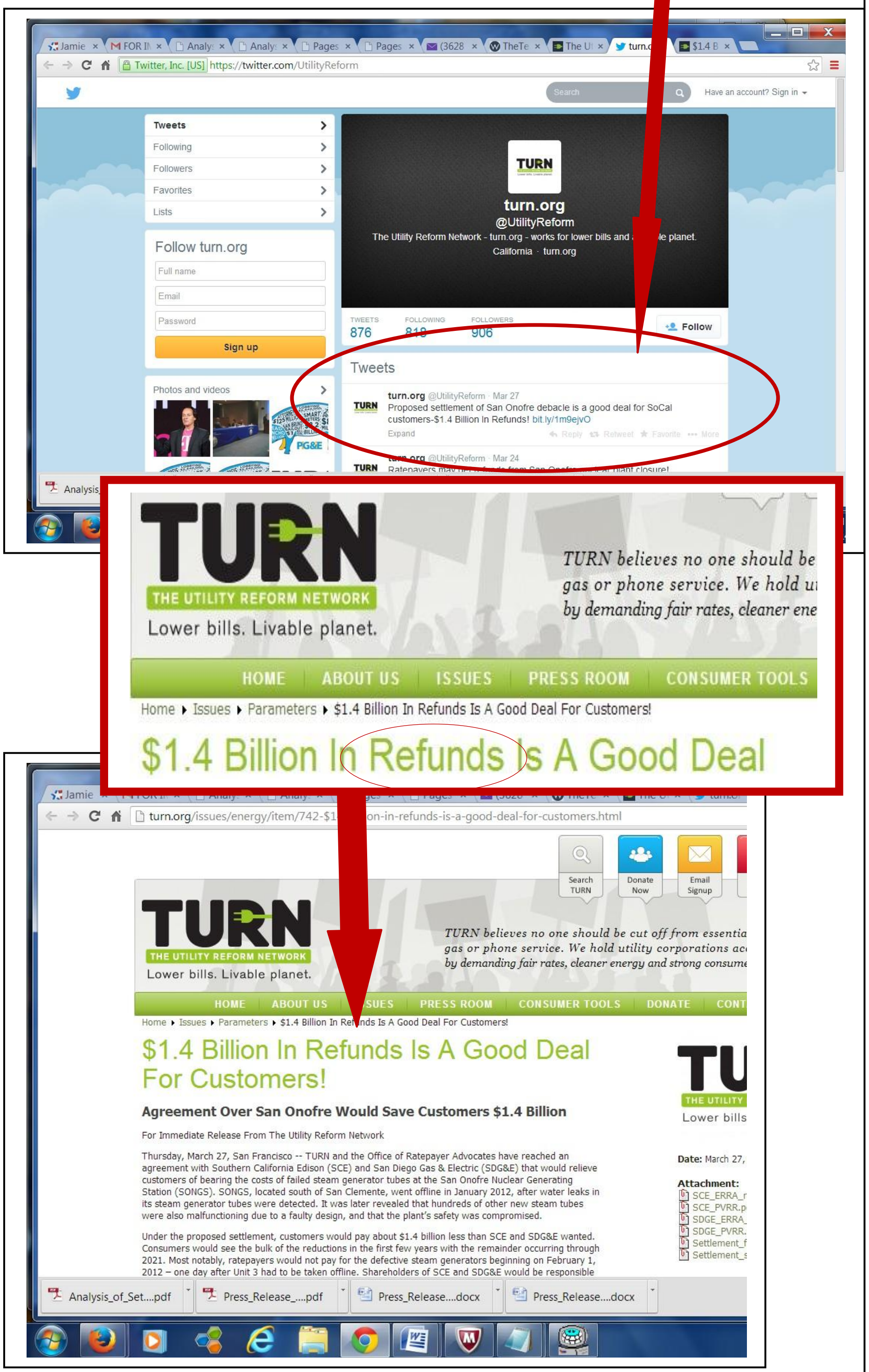
TURN, March 27, 2014 Screen Captures

On March 27, Turn the Utility Reform Network, wrongfully claimed that victims of Southern California Edison's San Onofre nuclear bailout will see refunds of $1.4 billion dollars.

Here is a screen capture of the Twitter feed:



For Immediate Release From The Utility Reform Network

Thursday, March 27, San Francisco -- TURN and the Office of Ratepayer Advocates have reached an agreement with Southern California Edison (SCE) and San Diego Gas & Electric (SDG&E) that would relieve customers of bearing the costs of failed steam generator tubes at the San Onofre Nuclear Generating Station (SONGS). SONGS, located south of San Clemente, went offline in January 2012, after water leaks in its steam generator tubes were detected. It was later revealed that hundreds of other new steam tubes were also malfunctioning due to a faulty design, and that the plant's safety was compromised.

Under the proposed settlement, customers would pay about $1.4 billion less than SCE and SDG&E wanted. Consumers would see the bulk of the reductions in the first few years with the remainder occurring through 2021. Most notably, ratepayers would not pay for the defective steam generators beginning on February 1, 2012 – one day after Unit 3 had to be taken offline. Shareholders of SCE and SDG&E would be responsible for their entire unrecovered investment in the plant as of that date.

"The proposed settlement represents a huge win for consumers, " said TURN staff attorney Matthew Freedman. "It will hold utility shareholders accountable for the fiasco at SONGS and expedite refunds to customers. Ratepayers have been paying for the costs of Edison's mistakes at SONGS for over two years," Freedman said. "That's long enough."

The basic terms of the settlement are as follows:

- SCE customers would receive refunds of approximately $480 million by the end of 2014. SDG&E customers would receive 2014 refunds of approximately $121 million.
- SDG&E and SCE would refund 100% of the money they have collected from customers since February 1, 2012 for the replacement steam generators and be precluded from charging customers for any of their remaining investment after that date. Shareholders of SCE would also be prevented from charging ratepayers for their remaining investment of $597 million, which, after unrealized profits, rises to $696 million. SDG&E shareholders would be prevented charging ratepayers for their remaining investment of $160.4 million, which, after unrealized profits, rises to $221 million.
- Utility investments in the base plant (not including the steam generators) would be recovered over 10 years beginning on February 1, 2012 with no return on shareholder equity, only 50% of the authorized return for preferred stock and the actual cost of debt. For 2014, the overall return would be 2.62% for SCE and 2.35% for SDG&E. Compared to the litigation proposals of the utilities, this treatment results in a $300 million savings for SCE ratepayers and a $52.5 million savings for SDG&E ratepayers.
- SCE and SDG&E would refund any money collected from ratepayers since January 1, 2013 in excess of the actual operational costs of SONGS.
- SCE and SDG&E would refund to customers any money resulting from the sale of excess materials and supplies along with unused nuclear fuel.
- SCE and SDG&E would not be allowed to charge ratepayers for some of the incremental costs to inspect and repair the faulty steam generators in 2012. SCE shareholders would be responsible for $99 million.
- Customers would receive a significant share of any proceeds recovered by the utilities from Mitsubishi Heavy Industries (the manufacturer of the defective steam generators) and Nuclear Energy Insurance Limited.

TURN expects the CPUC to consider the settlement in the coming months and hopes that they will act to approve it sometime this summer. "We think this is a good deal," Freedman said. "The CPUC litigation process doesn't offer consumers any assurances. This agreement does."