



Ideas + Action for a Thriving Central Coast

June 21, 2022

The Honorable Gavin Newsom
Governor of California
State Capitol
Sacramento, CA 95814

Subject: Charting a Roadmap for the Future of Diablo Canyon

Dear Governor Newsom:

As the state considers the future of Diablo Canyon, I am writing to share perspectives and context from the Central Coast on this important site for our region's economy, energy ecosystem and community. Charting the future of this site raises complex questions as well as unique opportunities for our region, state and country to collaborate to advance clean energy innovation. We stand ready to work with state, federal and other partners to support these discussions and develop a long-term roadmap for the future of Diablo Canyon.

By way of background, REACH is a nonprofit economic impact organization founded by the business and civic community with a mission to increase economic prosperity on the Central Coast of California. The economic and energy transition of Diablo Canyon — our region's largest private employer — has been a key pillar of our regional work. Diablo Canyon is an economic engine for the Central Coast and energy powerhouse for California and we recognize the important role that Diablo Canyon operated by Pacific Gas and Electric (PG&E) has played in contributing to the state's carbon-free power and our nation's energy ecosystem. As a region, we are embracing and evolving our role as an energy hub of the future as we prepare to support the deployment of the state's largest offshore wind site off of Morro Bay and the development of world-leading energy storage and solar projects and other forms of clean energy innovation.

The current situation provides a unique opportunity to forge a public-private partnership bringing together regional, state, federal, industry and other stakeholders around a short-, mid-, and long-term roadmap for Diablo Canyon so that it can continue to play a leading role in our region's economy and our state's energy ecosystem.

As you consider extending the operating life of Diablo and the critical role the Central Coast region plays in supporting the short- and long-term energy goals for California, please consider the following three requests:

1. **Central Coast stakeholders are organized, engaged and stand ready to work with you on this important issue; please consider working with our region in how these plans take shape.** We recognize that charting the immediate future of this site raises important and complex policy, regulatory, technical and logistical questions. How we collectively navigate the current discussions, engage the community on the rationale behind any proposed changes and chart the future of this site will have important implications for the economic future for the Central Coast region as well as our nation's overall energy future. It is important that these issues be addressed thoughtfully and in close



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coordination and consultation with the Central Coast community, which has been very active in a variety of forums related to both the 585-acre industrial site and the 12,000 acres of surrounding lands. We appreciate the crucial economic role that Diablo Canyon will continue to have in our community and for its highly skilled workforce.

At the same time, clarity in the decision-making process, on the future of the site, and through endorsement of a long-term roadmap is essential to remove uncertainty and enable our region to plan for future reuse and economic stability. The uncertainty caused by the changing timelines around Diablo Canyon also calls for a clear explanation on how any changes in the near term fit into a broader roadmap and vision as we seek to bring online offshore wind and other innovative renewables, plus their associated jobs and equitable economic benefits, on the Central Coast.

- 2. Please consider investing in both the short- and the long-term energy potential of the Central Coast region.** We must invest now in the future of this unique industrial site so that it can lead the next chapter of our state and nation's energy independence and resilience, not for years but for decades to come. Diablo Canyon offers unrivaled energy, water resilience and blue economy assets: high-power transmission lines connecting to the state's electricity grid, extensive existing facilities, proximity to the offshore wind development coming to the Morro Bay Wind Energy Area, existing desalination capabilities, a harbor, and a world-class energy workforce.

Last month we released a community vision alongside a broad coalition of stakeholders that outlines a long-term future for Diablo Canyon as a **Central Coast Clean Tech Innovation Park**. This concept envisions a strong public-private partnership model to develop a hub for offshore wind, battery storage, desalination and R&D in renewable energy, marine sciences and marine aquaculture under the leadership of Cal Poly (see Attachment). This vision was developed through a year of intensive community dialogue and endorsed by local, state and federal elected officials. This community initiative builds on and complements planning efforts through the Diablo Canyon Decommissioning Engagement Panel convened by PG&E and the strategic vision this community advisory body has developed for the site.

The decisions and investments required to build a bridge to this future are needed now, given the significant timelines associated with the state and nation's energy transformation. Diablo Canyon is a critical lynchpin in meeting our state and nation's long-term renewable energy goals. Short-term action should be complemented by long-term planning and investment to accelerate clean energy innovation, and that work must begin at Diablo Canyon in partnership with a wide swath of community stakeholders.

- 3. Please consider the conservation of the 12,000 acres of Diablo Canyon lands independent of plant operations.** The Diablo Canyon lands hold cultural and ecological significance in our community, and they shall be conserved as soon as feasible. Extensive community dialogue and planning has already taken place to preserve the unique natural resources and cultural heritage of the 12,000 acres of Diablo Lands, including the yak titʻu titʻu yak tiłhini Northern Chumash (ytt Northern Chumash) Land

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Back Strategy in collaboration with other conservation stakeholders. The goal of this planning is to preserve cultural heritage while providing land stewardship and secure managed and sustainable public access consistent with the state's Tribal Land Transfer Policy. These conservation efforts are a vital complement to this site's contribution to our clean energy future and were overwhelmingly supported by voters in the 2000 Dream Initiative, a San Luis Obispo County-wide advisory measure.

Our community has worked diligently to plan for the social, cultural, environmental and economic future of this important site with a goal to ensure it remains an engine for our economy, a hub of our energy ecosystem, and a centerpiece of our community. As critical discussions and decisions are being made on how to utilize this important state energy asset, we appreciate the opportunity for the Central Coast perspective to be included in how we support the state's energy future. We stand ready to work with the state and federal government and other stakeholders to support short-term energy needs while also proactively partnering to chart a long-term roadmap for Diablo Canyon. We look forward to meeting with your team to begin this important work.

Sincerely,



Melissa James

President/CEO

REACH

melissa@reachcentralcoast.org

cc:

The Honorable Eleni Kounalakis, Lieutenant Governor

The Honorable John Laird, Senator

The Honorable Jordan Cunningham, Assemblyman

David Hochschild, Chair, California Energy Commission

Dee Dee Myers, Director, Governor's Office of Business and Economic Development

The Honorable Dianne Feinstein, US Senator

The Honorable Alex Padilla, US Senator

The Honorable Salud Carbajal, US Congressman

The Honorable Jennifer Granholm, Secretary of Energy

Gina McCarthy, National Climate Advisor

Amanda Lefton, Director, Bureau of Ocean Energy Management

Cal Poly should lead Diablo Canyon's next chapter

An open letter advancing our vision for a world-class clean tech innovation park



To California Central Coast residents, clean energy champions and innovators, and anyone interested in advancing an abundant, sustainable energy future:

Where the Diablo Canyon Power Plant sits on California's Central Coast, we see a new future as a hub of clean energy innovation. We see a research and development campus where industry and academia can hatch and collaborate on emerging renewable technologies. We see an expansion of existing desalination capabilities, a harbor for blue economy activity, a community center for Chumash heritage education and celebration, and a critical platform for enabling California to harness the wind energy right off our coast.

This is no idle daydream. One year ago, stakeholders spanning government, higher education, business, labor, tribal and conservation organizations [came together](#) to pursue a shared vision for the future of Diablo Canyon's 585-acre industrial area. We've spent the last 12 months expanding the coalition and crystallizing the vision.

We've convened top experts in large-scale redevelopment and nuclear decommissioning, consulted national renewable energy researchers and industry leaders, explored suitable possibilities, weighed challenges and devised a conceptual site plan for a mixed-use innovation park supporting research, education and commercial enterprise. We've built strong consensus around what all the experts agree is a generational opportunity.

Put simply, this unique industrial site offers unrivaled energy assets for pioneering the next chapter of our state and nation's energy independence and resilience. With high-power transmission lines (500 kV and 230 kV) connecting to the state's electricity grid, extensive existing facilities, and proximity to the [offshore wind development](#) coming to the waters off our coast, this site can accelerate global clean-energy innovation — all while creating jobs and economic benefit for Central Coast residents and retaining the vast surrounding lands for conservation and tribal stewardship.

From our collective due diligence through the last year, we firmly believe that Cal Poly San Luis Obispo, with support from public-private partnerships and investments, can be the catalyst for this vision.

Cal Poly is a trusted community partner that contributes significantly to the region's economy, community and social fabric. It's also a widely regarded applied research powerhouse, with access to the extensive resources of the 23-campus California State University system and an established national network of donors, supporters and industry partners. Complemented by a combination of commercial enterprise and state- and federally funded research labs, the university's lauded Learn by Doing ethos can enhance and propel the vision of a hands-on center of innovation and collaboration. With an extensive history of capital project execution, stewardship and partnerships with Pacific Gas and Electric, Cal Poly is ideally poised as the logical successor entity to usher in an extraordinary new era for Diablo Canyon and the Central Coast.

The Central Coast is already a leading nexus of renewable energy, with massive utility-scale solar farms, the world's largest battery storage plant under development in Morro Bay and the West Coast's largest offshore wind energy area slated for lease auction this fall, among other projects. Add in a substantial skilled energy workforce and energy-exporting legacy, and the Central Coast is positioned as a primary player in the nation's clean-energy future.

Details big and small need to be hashed out. Among them: synchronizing development of future-use activities with the plant decommissioning; ensuring local businesses and workers are employed in the multi-billion dollar decommissioning process to the maximum extent possible; and remaining flexible to evolution as industry partners, regulatory processes, and investment come together.

May 3, 2022

But the clock is ticking. With strong community alignment behind Cal Poly, we are proactively seeking the long-term partnerships and investments needed to realize the vision of a climate-change innovation hub that supports good-paying, future-oriented jobs for our skilled workforce.

The Central Coast is already playing a pivotal role in driving our state's sustainable economy forward, and we invite you to join us in unlocking the potential of this bold vision.

Sincerely,

U.S. Representative Salud Carbajal
24th District, U.S. House of
Representatives

Assemblyman Jordan Cunningham
35th District, CA State Assembly

Supervisor Bruce Gibson
Board Chair, County of San Luis Obispo

Kaila Dettman
Executive Director, The Land
Conservancy of San Luis Obispo County

Vice Mayor Carlyn Christianson
City of San Luis Obispo

Mayor John Heading
City of Morro Bay

Mayor Caren Ray Russom
City of Arroyo Grande

Glenn Morris
CEO, Santa Maria Valley Chamber of
Commerce

Jane Swanson
President, Mothers for Peace

Senator John Laird
17th District, CA State Senate

Jeffrey D. Armstrong
President, Cal Poly

Melissa James
President/CEO, REACH

Joshua Medrano
Executive Secretary & Treasurer,
Tri-Counties Building and Construction Trades
Council

Mayor Jeff Lee
City of Grover Beach

Mayor Ed Waage
City of Pismo Beach

Mayor Heather Moreno
City of Atascadero

Nicole Moore
Interim CEO, South County Chambers of
Commerce

Chuck Davison
CEO, Visit SLO CAL