

February 5, 2024

Honorable Nancy Skinner, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review
Committee

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Honorable Anthony Portantino, Chair
Senate Appropriations Committee

Honorable Buffy Wicks
Assembly Appropriations Committee

Diablo Canyon Power Plant Extension General Fund Loan

Chapter 239, Statutes of 2022 (SB 846), authorized a transfer of \$600 million from the General Fund to the Department of Water Resources (DWR) as a loan to extend operations of the Diablo Canyon Nuclear Power Plant (DCPP) and declared Legislative intent to loan an additional \$800 million from the General Fund for the same purpose. DWR executed a loan agreement with Pacific Gas & Electric (PG&E) for the extension of the DCPP on October 18, 2022, and received the final allocation of the initial \$600 million loan in December 2023.

Chapter 12, Statutes of 2023 (SB 101), authorized an additional loan up to \$400 million in fiscal year 2023-24 to extend operations of the DCPP. The Department of Finance has received a notification of the need for additional funding in the amount of \$400 million from the DWR for the purpose of continuing to support the extension of the DCCP, consistent with Section 25548.3, of the California Public Resources Code. DWR estimates that as of January 2024, total PG&E estimated loan requirements, including actual expenditures, performance-based disbursements, and commitments, has exceeded the initial \$600 million allocation.

Finance has reviewed the information submitted by DWR and concurs with the estimate to make an allocation. Accordingly, the Director of Finance is approving the additional \$400 million General Fund Loan, pursuant to SB 101, no sooner than 30 days from the above date.

If you have any questions or need additional information regarding this matter, please call Andrew Hull, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:



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Chief Deputy Director

cc: Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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