



Office of the City Council

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Date

To: Members of the California State Legislature

Subject: Request for State Legislation Supporting Coastal Land Conservation and Restoration of Tax Revenue for Impacted School Districts and Local Government Service Providers Related to Diablo Canyon Power Plant

Dear Members of the California State Legislature:

On behalf of the City of San Luis Obispo (City), and consistent with our previous advocacy and current legislative platform, we write today seeking the state legislature's support for coastal land conservation and restoration of tax revenue that has been eliminated, despite continued operation of Diablo Canyon Power Plant (DCPP). We believe these are essential considerations that must be included in long-term planning during the current extension to 2030 and if continued operation is contemplated beyond 2030 as well.

The City has consistently emphasized that any period of continued operation must be accompanied by strong public safety protections, fiscal certainty for impacted local governments and school districts, and continued planning for both eventual decommissioning and future land use. Cities, counties, school districts, and special districts have planned, staffed, and delivered essential public services based on long-standing fiscal assumptions tied to the facility's operating timeline. As State policy related to DCPP continues to evolve, it is critical that the communities bearing these impacts are treated equitably and not left to absorb the consequences of statewide decisions. As the Legislature evaluates potential actions related to DCPP, the City respectfully urges consideration of the following principles:

Public Safety and Emergency Preparedness: The City is located within ten miles from the DCPP in evacuation or "Protective Action Zone" 8. The safe operation of DCPP must remain the foremost priority. Continued operation should continue to be subject to rigorous regulatory oversight and include sustained funding for local and regional emergency preparedness, spent fuel storage security and ongoing long-term planning, public safety services, and other coordination activities that protect the City and surrounding communities. Evacuation planning should be improved, in case of a nuclear disaster.

Fiscal Mitigation: School districts and local governments in the region have experienced significant fiscal impacts resulting from changes to DCPP's operating assumptions, including the loss of historic unitary tax revenues. These revenues, eliminated in 2025, risk causing the loss of classrooms, student services, public safety, infrastructure maintenance, other core community services, and also funding for emergency planning and response while the state's only nuclear power plant continues to operate. It's essential that the funding formula used to pay for these services adjust for the unanticipated, continued operation of DCPP and the

impact that places on local communities. If it is decided that the previous tax structure is no longer appropriate, we ask that the legislature provide equivalent, reliable fiscal mitigation for affected jurisdictions for the duration of continued DCPD operations. Any alternative approach should ensure fiscal equity among impacted agencies and avoid shifting the financial burden of State policy decisions onto local governments and schools.

Long-Term Planning and Land Conservation: Legislative actions should support continued regional and local planning for eventual decommissioning, workforce transition, and future land use. The City also supports the conservation of coastal lands surrounding Diablo Canyon and the expansion of appropriate public access, in coordination with regulatory agencies, Tribal communities, and conservation partners, while ensuring that land conservation efforts benefit local jurisdictions.

The City of San Luis Obispo stands with its neighboring cities, school districts, and regional partners in urging the Legislature to adopt a balanced approach that protects public safety, supports education and essential services, and provides fiscal certainty for communities hosting critical infrastructure on behalf of the State.

We appreciate the Legislature's continued engagement and look forward to working collaboratively to advance solutions that are equitable, transparent, and responsive to local impacts.

Thank you for your consideration.

Sincerely,

Erica A. Stewart
Mayor, City of San Luis Obispo

Cc: Relevant Legislative Committees
Senator John Laird
Assemblymember Dawn Addis
County Board of Supervisors
Cal Cities