223649

STATE OF SOUTH CAROLINA

(Caption of Case)

Combined Application of South Carolina Electric & Gas Company for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load Review Order for the Construction and Operation of a Nuclear Facility in Jenkinsville, South Carolina

S. C. PUBLIC SERVICE COMMISSION RECEIVED APR 22 2010

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

COVER SHEET

DOCKET NUMBER: 2008 - 196 - E

(Please type or print)

Submitted by: Tom Clements

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DOCKETING INFORMATION (Check all that apply)

☐ **Emergency Relief demanded in petition**

☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:**

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
☒ Electric	☐ Affidavit	☒ Letter	☐ Request
☐ Electric/Gas	☐ Agreement	☐ Memorandum	☐ Request for Certification
☐ Electric/Telecommunications	☐ Answer	☐ Motion	☐ Request for Investigation
☐ Electric/Water	☐ Appellate Review	☐ Objection	☐ Resale Agreement
☐ Electric/Water/Telecom.	☐ Application	☐ Petition	☐ Resale Amendment
☐ Electric/Water/Sewer	☐ Brief	☐ Petition for Reconsideration	☐ Reservation Letter
☐ Gas	☐ Certificate	☐ Petition for Rulemaking	☐ Response
☐ Railroad	☐ Comments	☐ Petition for Rule to Show Cause	☐ Response to Discovery
☐ Sewer	☐ Complaint	☐ Petition to Intervene	☐ Return to Petition
☐ Telecommunications	☐ Consent Order	☐ Petition to Intervene Out of Time	☐ Stipulation
☐ Transportation	☐ Discovery	☐ Prefiled Testimony	☐ Subpoena
☐ Water	☐ Exhibit	☐ Promotion	☐ Tariff
☐ Water/Sewer	☐ Expedited Consideration	☐ Proposed Order	☐ Other:
☐ Administrative Matter	☐ Interconnection Agreement	☐ Protest	
☐ Other:	☐ Interconnection Amendment	☐ Publisher's Affidavit	
	☐ Late-Filed Exhibit	☐ Report	

Print Form Reset Form

April 21, 2010

Friends of the Earth

RECEIVED
APR 22 2010

Ms. Jocelyn Boyd
Interim Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Docket 2008-196-E (Combined Application of South Carolina Electric & Gas Company for a Certificate of Environmental Compatibility and Public Convenience and Necessity and for a Base Load Review Order for the Construction and Operation of a Nuclear Facility in Jenkinsville, South Carolina)

Dear Ms. Boyd,

Attached you will find an article to be entered into the record which reflects the possibility that SCE&G will not be offered a loan guarantee bailout offer from the U.S. Department of Energy for the Jenkinsville nuclear project.

Given that only $18.5 billion was available for loan guarantees and that Georgia Power has received a loan guarantee bailout offer of $8.3 billion, only about $10 billion remains for the remaining three utilities on the loan guarantee "short list."

Georgia Power has until May 15 to accept or decline the bailout offer from DOE. I note that in the February 16, 2010, news release from the Southern Company, the company said that "Total guaranteed borrowings would not exceed 70 percent of the company's eligible projected costs, or approximately $3.4 billion, and are expected to be funded by the Federal Financing Bank." It thus appears that the tax payer would assume both the risk of the bailout for Southern Company as well as the financing of at least part the loan, underscoring the risky nature of the nuclear projects now before us and that they can't survive without socializing the risk and privatizing the profits.

While the Congress is discussing adding more funds to the nuclear bailout pot, it is unknown if SCE&G will at any point be offered or accept such a tax-payer funded bailout.

I would add that the review by the Nuclear Regulatory Commission of the AP1000 "shield building" remains on hold and delays with that review continue to mount. It is yet to be seen if Westinghouse will submit all documents on the redesigned shield building by April 30 and if a review can be established or not.

I affirm that this letter and the article is being sent to all intervenors.

Sincerely,

Tom Clements

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NUCLEAR: 2 contenders vie for next reactor loan guarantee

Tuesday, April 20, 2010

Peter Behr, E&E reporter

The competition for a second multibillion-dollar federal loan guarantee for nuclear projects has narrowed to two contenders, the Calvert Cliffs 3 reactor in southern Maryland and South Texas Project 3 and 4, southwest of Houston, said George Vanderheyden, CEO of UniStar Nuclear Energy, the U.S.-French venture that hopes to build the Maryland plant.

Vanderheyden confirmed speculation in the industry, saying, "it is really is down to the two of us. These two plants are neck and neck," as the projects' developers negotiate separately with the Energy Department over terms of a possible construction cost guarantee.

It is clear only one will win, he added. DOE's award of $8.3 billion in guarantees to Southern Co. and its partners in February for the construction of two new units at Southern's Vogtle plant in Georgia leaves about $10 billion remaining in the loan program approved by Congress in 2005. That's not enough for both Calvert Cliffs 3 and the Texas projects.

Nor would there be funds for a fourth contender, SCANA Corp. and Santee Cooper, which have applied for a loan guarantee for the proposed V.C. Summer 2 and 3 reactors in South Carolina. This bid reportedly trails the other two in DOE's evaluation process.

Executives of UniStar's partners, Constellation Energy in Baltimore and EDF, France's largest utility, say their project will not go forward without the U.S. loan guarantee. Both Constellation and NRG Energy, which is allied with Toshiba Corp. in the South Texas Project, own merchant plants that sell power into competitive markets. Southern and SCANA are regulated utilities that can pass nuclear plant construction costs on to consumers if utility commissions agree. SCANA says it does not need a guarantee to build its project.

Decision expected within weeks

"We're in negotiations daily" with DOE, Vanderheyden said, but DOE officials don't disclose the how they rank the competing companies, he said.

Vanderheyden said UniStar is spending $1 million a day on the Maryland project, including site and construction planning and license applications. "We think we are getting to a point in this process where instead of talking about months, we're talking about weeks" until the decision.

The Calvert Cliffs project on the Chesapeake Bay will be built whether or not Congress approves climate legislation that puts a price on power plant carbon dioxide emissions, he said. Jean-Pierre Benque, president of EDF, has said that new nuclear projects could be delayed if Congress does not set a national standard for increasing clean-energy generation and fails to enact carbon prices.

The Obama administration has thrown its support behind an expansion of the loan guarantee program for new reactors and hopes to get crucial Senate votes for climate legislation from pro-nuclear power senators.

"Ultimately, we believe there will have to be a climate policy in the U.S.," Vanderheyden said.

Hoping for next plants to move faster

The company is hoping to get an approved operating license from the Nuclear Regulatory Commission by mid- to late 2012. The NRC staff has just issued draft environmental impact statements for the Calvert Cliffs and Summer projects, with preliminary findings that it sees no environmental obstacles barring their construction. The statements are now open for public comment.

If the NRC does act in 2012 on Calvert Cliffs 3, it will be five years since the application was initiated, Vanderheyden said. "I have been kind of critical about the length of time it took to get the process started," he said, but noted that he thinks the NRC review now is working well. "We can see light at the end of the tunnel."

UniStar regards Calvert Cliffs as the first of a fleet of reactor projects it wants to build in the United States. He said he hopes that once the design for this first Areva reactor is approved, the licensing of those that follow will take only half as long. Each new reactor project will have a unique environmental review, but the next three reactors that UniStar plans to build should benefit from following a standard reactor design familiar to the NRC.

"That is what is really important to us. We've always said if there was only one, we wouldn't do it. This is about replication, standardization and efficiency as we move forward. What is really important is that the next round of projects moves faster."