STATE OF SOUTH CAROLINA

(Caption of Case)
Combined Application of South Carolina Electric & Gas Co. 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 at Jenkinsville, SC

(Caption of Case)

DOCKET
NUMBER: 2008 - 196 - E

(Please type or print)
Submitted by: Scott Elliott
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Columbia, SC 29205

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

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)
☐ Electric 
☐ Electric/Gas 
☐ Electric/Telecommunications 
☐ Electric/Water 
☐ Electric/Water/Telecom. 
☐ Electric/Water/Sewer 
☐ Gas 
☐ Railroad 
☐ Sewer 
☐ Telecommunications 
☐ Transportation 
☐ Water 
☐ Water/Sewer 
☐ Administrative Matter 
☐ Other:

NATURE OF ACTION (Check all that apply)
☐ Affidavit 
☐ Agreement 
☐ Answer 
☐ Appellate Review 
☐ Application 
☐ Brief 
☐ Certificate 
☐ Comments 
☐ Complaint 
☐ Consent Order 
☐ Discovery 
☐ Exhibit 
☐ Expedited Consideration 
☐ Interconnection Agreement 
☐ Interconnection Amendment 
☐ Late-Filed Exhibit 
☐ Letter 
☐ Memorandum 
☐ Motion 
☐ Objection 
☐ Petition 
☐ Petition for Reconsideration 
☐ Petition for Rulemaking 
☐ Petition for Rule to Show Cause 
☐ Petition to Intervene 
☐ Petition to Intervene Out of Time 
☐ Prefiled Testimony 
☐ Promotion 
☐ Proposed Order 
☐ Protest 
☐ Publisher’s Affidavit 
☐ Report 
☐ Request 
☐ Request for Certification 
☐ Request for Investigation 
☐ Resale Agreement 
☐ Resale Amendment 
☐ Reservation Letter 
☐ Response 
☐ Response to Discovery 
☐ Return to Petition 
☐ Stipulation 
☐ Subpoena 
☐ Tariff 
☐ Other:
VIA HAND DELIVERY
Mr. Charles L.A. Terreni
Chief Clerk of the Commission
SC Public Service Commission
P. O. Drawer 11649
Columbia, SC 29211

RE: 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 at Jenkinsville, South Carolina
Docket No. 2008-196-E

Dear Mr. Terreni:

Enclosed please find the original and twenty-five (25) copies of the Direct Testimony of Kevin W. O'Donnell filed on behalf of South Carolina Energy Users Committee in the above referenced docket. I have enclosed an extra copy of this testimony which I would ask you to date stamp and return to me in the stamped self-addressed envelope enclosed. By copy of this letter, I am serving all parties of record.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

ELLIOTT & ELLIOTT, P.A.

Scott Elliott

Enclosures

cc: Parties of record w/enclosures
State of South Carolina

Before the

South Carolina Public Service Commission

In the Matter of:
South Carolina Electric & Gas
Combined Application for
Certificate of Environmental Compatibility,
Public Convenience and Necessity and
For a Base Load Review Order

Docket No. 2008-196-E

Prepared Direct Testimony

of

Kevin W. O'Donnell, CFA

On Behalf of the

South Carolina Energy Users Committee

Oct. 17, 2008
Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS FOR THE RECORD.

Q. ON WHOSE BEHALF ARE YOU PRESENTING TESTIMONY IN THIS PROCEEDING?
A. I am testifying on behalf of the South Carolina Energy Users Committee (SCEUC), an association of manufacturers active in many proceedings before the South Carolina Public Service Commission (PSC or the Commission). SCEUC members take service from South Carolina Electric & Gas Company (SCE&G or Company).

Q. PLEASE OUTLINE YOUR EDUCATIONAL BACKGROUND AND RELEVANT EMPLOYMENT EXPERIENCE.
A. My educational background and experience can be found in Appendix A.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?
A. The purpose of my testimony is to present my recommendations to the Commission in regard to SCE&G's application to construct two 1,117 MW nuclear plants at the Company's existing Sumner Nuclear Facility located near Jenkinsville, SC. I will focus my testimony on SCE&G's cost recovery plans, allocations, and rate design.

Q. PLEASE EXPLAIN THE BASE LOAD REVIEW ACT AND HOW SCE&G IS REQUESTING RECOVERY IN THIS PROCEEDING OF ITS COSTS ASSOCIATED WITH THE PROPOSED NUCLEAR PLANTS?
The Base Load Review Act (BLRA) was intended to allow South Carolina utilities to recover a portion of the costs of nuclear plants as they are built. As is the case in the current proceeding, SCE&G will, on an annual basis, file a request with the Commission to increase rates to bring Construction Work in Progress (CWIP) into rates. By doing so, the Company will seek to increase rates each and every year as the nuclear facilities are constructed.

The rate changes associated with the nuclear facilities will be in addition to the current revenue requirement that already exists in the SCE&G rates. In essence, the nuclear costs will be "layered" on top of the current rates paid by SCE&G customers.

WHAT ARE THE ANNUAL RATE INCREASES FORECASTED BY SCE&G TO PAY FOR THE PROPOSED TWO NUCLEAR FACILITIES?

A. In the table below, I have provided SCE&G's estimated annual rate increases as well as the cumulative rate increase as proposed by the Company over the life of the construction of the proposed nuclear plants.
Table 1: SCE&G Forecasted Rate Changes

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Rate Change</th>
<th>Cumulative Rate Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>0.49%</td>
<td>0.49%</td>
</tr>
<tr>
<td>2009</td>
<td>2.80%</td>
<td>3.30%</td>
</tr>
<tr>
<td>2010</td>
<td>2.80%</td>
<td>6.20%</td>
</tr>
<tr>
<td>2011</td>
<td>3.80%</td>
<td>10.23%</td>
</tr>
<tr>
<td>2012</td>
<td>3.50%</td>
<td>14.09%</td>
</tr>
<tr>
<td>2013</td>
<td>4.00%</td>
<td>18.65%</td>
</tr>
<tr>
<td>2014</td>
<td>3.70%</td>
<td>23.04%</td>
</tr>
<tr>
<td>2015</td>
<td>2.80%</td>
<td>26.49%</td>
</tr>
<tr>
<td>2016</td>
<td>1.40%</td>
<td>28.26%</td>
</tr>
<tr>
<td>2017</td>
<td>2.20%</td>
<td>31.08%</td>
</tr>
<tr>
<td>2018</td>
<td>3.10%</td>
<td>35.14%</td>
</tr>
<tr>
<td>2019</td>
<td>1.10%</td>
<td>36.63%</td>
</tr>
<tr>
<td>2020</td>
<td>-0.50%</td>
<td>35.95%</td>
</tr>
</tbody>
</table>

Source: Annual rate changes are from Exhibit M, Chart B of Application. Cumulative rate changes are calculated.

The above table shows that customers of the utility should expect rate increases starting in 2008 and continuing through 2019. In total, rates should increase by roughly 37% through 2019.

Q. PLEASE EXPLAIN HOW SCE&G CALCULATED THE ABOVE ANNUAL RATE INCREASES.

A. According to Exhibit M of the Company’s application in this proceeding, SCE&G totaled the amount of CWIP it would incur and then derived an annual revenue requirement to support this amount of CWIP. The Company divided the annual revenue requirement by its estimated retail kWh sales to calculate the expected
per kWh cost for the plant addition. SCE&G then used a simple annual growth calculation to derive the rate increases found in Table 1 above.

Q. WHAT IS THE PER CLASS RATE INCREASE SOUGHT BY SCE&G IN THIS PROCEEDING?

A. Table 2 below provides the rate increase by class that the Company is seeking in this case.

Table 2: Requested SCE&G Rate Increases

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>$ Rate Increase</th>
<th>% Rate Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$4,322,220</td>
<td>0.52%</td>
</tr>
<tr>
<td>Small Gen. Service</td>
<td>$1,614,400</td>
<td>0.48%</td>
</tr>
<tr>
<td>Medium Gen. Service</td>
<td>$1,009,991</td>
<td>0.51%</td>
</tr>
<tr>
<td>Large Gen. Service</td>
<td>$2,034,588</td>
<td>0.44%</td>
</tr>
<tr>
<td>Total</td>
<td>$8,981,199</td>
<td>0.49%</td>
</tr>
</tbody>
</table>

Source: Exhibit K, Chart A of SCE&G Application

Q. DO YOU AGREE WITH THE RATE INCREASES SOUGHT BY THE COMPANY IN THIS PROCEEDING?

A. No, I do not. In the above calculations, SCE&G did not include wholesale sales in the calculations of the above rate increases. By not allocating a portion of the nuclear costs to its current wholesale customers, the Company is over-charging current retail customers.
Q. CAN YOU DETERMINE HOW MUCH THE COMPANY WILL OVERCOLLECT IN THE CURRENT CASE AS A RESULT OF ITS DECISION NOT TO ALLOCATE ANY NUCLEAR CONSTRUCTION COSTS TO WHOLESALE CUSTOMERS IN THIS CASE?

A. Yes. In the Company's 2008 fuel case, it used a summer, 2007 peak demand allocation factor to allocate environmental costs to the various rate classes. In that case, SCE&G used a 5.67% demand allocation factor (Source: Exhibit AWR-4 in Docket No. 2008-2-E) to allocate environmental costs to the customer classes. If SCE&G had used this same allocation factor in the current case, the rate increase required in this docket would have been 0.46% instead of the Company's requested increase of 0.49%. In my opinion, the Company should have used the same demand allocation factor used in allocating environmental costs from the fuel case to allocate nuclear costs in the current proceeding.

Q. CAN YOU CALCULATE THE REVENUE REQUIREMENT AMOUNT THAT, IN YOUR OPINION, SCE&G SHOULD HAVE ALLOCATED TO CURRENT WHOLESALE CUSTOMERS?

A. Yes. The Company is seeking revenue requirements in this case of $8,981,199 from retail customers only. This request is excessive. If SCE&G had included wholesale load in its demand allocation of revenue requirements in this case, the total rate increase sought in this case would have decreased by $509,234. Table 3 below shows the per class rate increase sought by the Company, the rate increase by class had SCE&G included its wholesale load in its demand allocation, and the dollar amount over-allocated to each customer class as a result of the Company's decision not to allocate any costs to wholesale customers.
Table 3: Effect of Rate Changes Due to the Addition of Wholesale Load to Revenue Requirement Calculations

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>2008 Rate Change</th>
<th>Wholesale Excluded</th>
<th>Wholesale Included</th>
<th>Net $ Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>0.52%</td>
<td>0.49%</td>
<td></td>
<td>$245,070</td>
</tr>
<tr>
<td>Small Gen. Service</td>
<td>0.48%</td>
<td>0.45%</td>
<td></td>
<td>$91,536</td>
</tr>
<tr>
<td>Medium Gen. Service</td>
<td>0.51%</td>
<td>0.48%</td>
<td></td>
<td>$57,266</td>
</tr>
<tr>
<td>Large Gen. Service</td>
<td>0.44%</td>
<td>0.42%</td>
<td></td>
<td>$115,361</td>
</tr>
<tr>
<td>Total</td>
<td>0.49%</td>
<td>0.46%</td>
<td></td>
<td>$509,234</td>
</tr>
</tbody>
</table>

For the foregoing reasons, the requested increase should be reduced by the above-stated $509,234. If, however, the Commission finds the annual revenue requirement to use in this proceeding is a number other than the Company's requested amount of $8,981,199, I recommend that the Commission revenue requirement figure be reduced by 5.67% so as to allocate to wholesale customers their fair share of the nuclear plant costs.

Q. WILL SCE&G HAVE THIS SAME LEVEL OF WHOLESALE SALES THROUGHOUT THE CONSTRUCTION PERIOD OF THE NUCLEAR FACILITIES?

A. No. Based on the testimony of Company Witness Lynch (direct testimony, p. 4, l. 13-15), SCE&G will, over the next few years, lose a large portion of its wholesale load as current customers are leaving the SCE&G system for other suppliers or for self-build options. Based on publicly available documents, Orangeburg is planning to leave the SCE&G system in May, 2009 thereby taking a load of
approximately 190 MW off the Company’s system. Similarly, in 2010, SCE&G will lose another 69 MW of wholesale load when two more customers leave the Company’s system.

The loss of all the above-stated wholesale load inevitably puts upward pressure on retail rates as retail customers are then forced to absorb a greater amount of nuclear construction costs.

Q. WHY IS SCE&G LOSING THIS WHOLESALE LOAD?
A. The wholesale market has been deregulated by federal authorities. As a result, Orangeburg and other wholesale customers are no longer required to buy their wholesale supplies from SCE&G. Similarly, SCE&G is no longer obligated to serve its existing wholesale customers since, in theory, wholesale customers can procure their power supplies from a multitude of possible vendors.

It is possible that Orangeburg and the other current SCE&G wholesale customers may have received multiple power supply offers and simply chose to take a more attractive power supply offer from another supplier. I was not involved in the transactions that led these towns to terminate their relationship with SCE&G.

It is important to note that, at this point, it is unclear as to whether Orangeburg will be allowed to enter into wholesale purchase agreements with Duke Energy. On June 20, 2008, Duke Energy and the City of Orangeburg filed a motion (Docket No. E-7, Sub 858) with the North Carolina Utilities Commission (NCUC) in which both parties sought a declaratory ruling that the Duke/Orangeburg wholesale contract, which will be based on native load priority, be treated for
ratemaking purposes in the same manner as contracts with existing wholesale customers taking service from Duke. In its filing, Duke is not actually requesting authority to sell power to Orangeburg. Instead, Duke is asking to treat, for accounting purposes, the sale of power to Orangeburg in the same manner as it treats sales of wholesale power to its existing customers. The motion also states that Orangeburg expects to save approximately $10 million per year by entering into the proposed contract with Duke as opposed to continuing to buy its supplies from SCE&G.

Q. CAN YOU DETERMINE THE IMPACT ON SCE&G RETAIL RATES AS A RESULT OF THE LOSS OF THIS WHOLESALE LOAD?

A. There is no doubt that the loss of this wholesale load will have long-term implications to the Company's retail customers in the form of higher retail rates. Without the ability to allocate nuclear costs to Orangeburg and other wholesale customers, retail customers must pay a proportionately higher portion of the nuclear costs in the form of higher retail rates.

In Table 4 below, I calculated the cumulative rate impact of the Company's proposed rate increases, which did not include any allocation to wholesale loads, versus the rate increases had the current wholesale demand allocation of 5.67% stayed constant throughout the construction period of the nuclear facilities. As can be seen in this exhibit, retail customers of SCE&G will, by the end of the construction period, pay rates that are approximately 3% higher than the rates would have been otherwise had the Company not lost any of its wholesale load. It is important to note that this 3% reduction in retail rates is permanent thereby having a significant long-term impact on consumers taking service from SCE&G.
Table 4: Cumulative Impact if Wholesale Allocation Stays Constant

<table>
<thead>
<tr>
<th>Year</th>
<th>Cumulative Rate Change Without Wholesale</th>
<th>Cumulative Rate Change With Wholesale</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>0.49%</td>
<td>0.46%</td>
</tr>
<tr>
<td>2009</td>
<td>3.30%</td>
<td>3.10%</td>
</tr>
<tr>
<td>2010</td>
<td>6.20%</td>
<td>5.82%</td>
</tr>
<tr>
<td>2011</td>
<td>10.23%</td>
<td>9.68%</td>
</tr>
<tr>
<td>2012</td>
<td>14.09%</td>
<td>13.26%</td>
</tr>
<tr>
<td>2013</td>
<td>18.65%</td>
<td>17.54%</td>
</tr>
<tr>
<td>2014</td>
<td>23.04%</td>
<td>21.67%</td>
</tr>
<tr>
<td>2015</td>
<td>26.51%</td>
<td>24.93%</td>
</tr>
<tr>
<td>2016</td>
<td>28.26%</td>
<td>26.01%</td>
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<tr>
<td>2017</td>
<td>31.08%</td>
<td>28.74%</td>
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<tr>
<td>2018</td>
<td>35.14%</td>
<td>32.72%</td>
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<tr>
<td>2019</td>
<td>36.63%</td>
<td>33.76%</td>
</tr>
<tr>
<td>2020</td>
<td>35.95%</td>
<td>33.11%</td>
</tr>
</tbody>
</table>

Q. DO YOU HAVE ANY RECOMMENDATION TO THE COMMISSION IN REGARD TO THE WHOLESALE ALLOCATION IT MAY WISH TO CONSIDER IN FUTURE BLRA PROCEEDINGS?

A. I suggest that SCE&G, in the future, analyze each long-term wholesale transaction in terms of its ability to meet its capacity commitments as well as its impact on rates charge to retail customers, both in the short-term and the long-term.

My recommendation to the Commission is that it examine SCE&G’s wholesale marketing activities each year during the Company’s BLRA filing to see if the Company is doing all in its ability to sell as much wholesale power as possible so
as to minimize the impact of the nuclear construction on rates charged to
SCE&G's retail customers.

Q. DO YOU HAVE ANY FURTHER RECOMMENDATIONS THAT MAY LEAD
TO LOWER RETAIL RATES FOR THE COMPANY IN THE FUTURE?

A. Yes. According to p. 9 of the Company's Integrated Resource Plan (IRP), SCE&G
has over 200 MW of load that it can interrupt when it is in short supply of
capacity. At the present time, SCE&G offers discounts of $2.75 per kW for the
right to interrupt industrial customers service for up to 150 hours per year and
$4.50 per kW for the ability to interrupt service for up to 300 hours per year. In
the future, I would urge the Company to increase this discount so as to attract
more interruptible load. If the interruptible rate is further discounted and more
interruptible load is acquired from customers, the firm peak which the Company
must meet will decrease. Such a reduction in peak demand may, in turn, allow
the Company to sell more wholesale load into the secondary market thereby
allowing for a proportionately higher allocation of the nuclear costs to wholesale,
reducing rates charged to SCE&G's retail customers.

Q. DOES THIS COMPLETE YOUR TESTIMONY?

A. Yes, it does.
Appendix A

Kevin W. O'Donnell, CFA
President
Nova Energy Consultants, Inc.
1350 SE Maynard Rd.
Suite 101
Cary, NC 27511

Education
I received a B.S. degree in Civil Engineering - Construction Option from North Carolina State University in May of 1982 and a Masters of Business Administration in Finance from Florida State University in August of 1984.

Professional Certification
I am a Chartered Financial Analyst (CFA) and a member of the Association of Investment Management and Research.

Work Experience
In May of 1999, I changed the name of Nova Utility Services, Inc. to Nova Energy Consultants, Inc.

**Testimonies**

**North Carolina**

I have testified before the North Carolina Utilities Commission in the following general rate case proceedings: Public Service Company of North Carolina, Inc. (Docket No. G-5, Sub 200, Sub 207, Sub 246, Sub 327, and Sub 386); Piedmont Natural Gas Company (Docket No. G-9, Sub 251 and Sub 278); General Telephone of the South (Docket No. P-19, Sub 207); North Carolina Power (Docket No. E-22, Sub 314); Piedmont Natural Gas Company (Docket No. E-7, Sub 487); Pennsylvania & Southern Gas Company (Docket No. G-3, Sub 186); and in several water company rate increase proceedings. I also submitted pre-filed testimony, and/or assisted in the settlement process, in Docket Nos. G-9, Sub 378, Sub 382, Sub 428 and Sub 461, which were general rate cases involving Piedmont Natural Gas Company; in Docket No. G-21, Sub 334, North Carolina Natural Gas' most recent general rate case; in Docket No. G-5, Sub 356, Public Service of North Carolina's 1995 general rate case; and in Docket No. G-39, Sub 0, Cardinal Extension Company's rate case. Furthermore, I testified in the 1995 fuel adjustment proceeding for Carolina Power & Light Company (Docket No. E-2, Sub 680) and submitted pre-filed testimony in Docket No. E-7, Sub 559, which was Duke Power's 1995 fuel adjustment proceeding. I also submitted pre-filed testimony and testified in Duke's 2001 fuel adjustment proceeding, which was Docket No. E-7, Sub 685.

Furthermore, I testified in Docket No. G-21, Sub 306 and 307, in which North Carolina Natural Gas Corporation petitioned the Commission to establish a natural gas expansion fund. I also submitted testimony in the Commission's 1998 study of natural gas transportation rates that was part of Docket No. G-5, Sub 386, which was the 1998 general rate case of Public Service Company of North Carolina. In September of 1999, I
testified in Docket Nos. G-5, Sub 400 and G-43, which was the merger case of Public Service Company of North Carolina and SCANA Corp. I also submitted testimony and stood cross-examination in the holding company application of NUI Corporation, a utility holding company located in New Jersey, which was NCUC Docket No. G-3, Sub 224, as well as NUI’s merger application with Virginia Gas Company, which was Docket No. G-3, Sub 232. I also submitted pre-filed testimony and stood cross-examination in Docket No. G-3, Sub 235, which involved a tariff change request by NUI Corporation. I testified in another holding company application in Docket No. E-2, Sub 753; G-21, Sub 387; and P-708, Sub 5 which was the holding company application of Carolina Power & Light. In June of 2001, I submitted testimony and stood cross-examination in Docket No. E-2, Sub 778, which was CP&L’s application to transfer Certificates of Public Convenience and Necessity (CPCN) from two of the Company’s generating units to its non-regulated sister company, Progress Energy Ventures. In November of 2001, I testified in Duke Energy’s restructuring application, which was Docket No. E-7, Sub 694. In January 2002, I presented testimony in the merger application of Duke Energy Corp. and Westcoast Energy. In April of 2003, I submitted testimony in Dockets Nos. G-9, Sub 470, Sub 430, and E-2, Sub 825, which was the merger application of Piedmont Natural Gas and North Carolina Natural Gas. In May of 2003, I submitted testimony in the general rate case of Cardinal Pipeline Company, which was Docket No. G-39, Sub 4. In July 2003, I filed testimony in Docket No. E-2, Sub 833, which was CP&L’s 2003 fuel case proceeding. I prepared pre-filed testimony and stood cross-examination in the merger application of Piedmont Natural Gas and Eastern North Carolina Natural Gas. In July of 2005, I prepared pre-filed testimony in Carolina Power & Light’s fuel case in North Carolina. In August of 2005 I assisted in the settlement of Piedmont’s 2005 general rate case. In June, 2006, I submitted rebuttal testimony in Docket No. E-100, Sub 103, which was the investigation of integrated resource planning (IRP) in North Carolina. Also in the month of June, 2006, I submitted

South Carolina


United States Congress

In May of 1996, I testified before the U.S. House of Representatives, Committee on Commerce and Subcommittee on Energy and Power concerning competition within the
electric utility industry.

I have also worked with North Carolina and South Carolina municipalities in presenting comments to the Federal Energy Regulatory Commission regarding the opening of the wholesale power markets in the Carolinas.

**Publications**

I have also published the following articles: Municipal Aggregation: The Future is Today, *Public Utilities Fortnightly*, October 1, 1995; Small Town, Big Price Cuts, *Energy Buyers Guide*, January 1, 1997; and Worth the Wait, But Still at Risk, *Public Utilities Fortnightly*, May 1, 2000. All of these articles dealt with my firm’s experience in working with small towns that purchase their power supplies in the open wholesale power markets.
**CERTIFICATE OF SERVICE**

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that (s)he has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: 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 at Jenkinsville, South Carolina Docket No. 2008-196-E

PARTIES SERVED:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belton T. Zeigler, Esquire</td>
<td>1441 Main Street, Suite 300, Columbia, SC 29201</td>
</tr>
<tr>
<td>Pope Zeigler, LLC</td>
<td></td>
</tr>
<tr>
<td>Shannon Bowyer Hudson, Esquire</td>
<td>Office of Regulatory Staff, 1441 Main Street, Suite 300, Columbia, SC 29201</td>
</tr>
<tr>
<td>E. Wade Mullins, III, Esquire</td>
<td>Bruner Powell Robbins Wall &amp; Mullins, LLC, P.O. Box 61110, Columbia, SC 29260</td>
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<td>Brickfield Burchette Ritts &amp; Stone, PC, 1025 Thomas Jefferson St., NW, 8th Floor, West Tower, Washington, DC 20007</td>
</tr>
<tr>
<td>Maxine Warshauer</td>
<td>820 East Steele Road, West Columbia, SC, 29170</td>
</tr>
<tr>
<td>Lawrence P. Newton</td>
<td>2021 Carroll Drive, West Columbia, SC, 29169</td>
</tr>
<tr>
<td>Pamela Greenlaw</td>
<td>314 Pall Mall, Columbia, SC, 29201</td>
</tr>
<tr>
<td>Ruth Thomas</td>
<td>1201 Main Street, Suite 1600, Columbia, SC, 29201</td>
</tr>
<tr>
<td>John V. Walsh, Deputy State Highway Engineer</td>
<td>8301 Parklane Road</td>
</tr>
<tr>
<td>Joseph Wojcicki</td>
<td></td>
</tr>
<tr>
<td>Mildred A. McKinley</td>
<td></td>
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<tr>
<td>Robert Guild, Esquire</td>
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<tr>
<td>Friends of the Earth</td>
<td></td>
</tr>
<tr>
<td>Roger Stroup, Director</td>
<td></td>
</tr>
<tr>
<td>SC Department of Archives and History</td>
<td>8301 Parklane Road</td>
</tr>
<tr>
<td>Post Office Box 191 Columbia, SC, 29202</td>
<td>Columbia, SC, 29221</td>
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<td>----------------------------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>David Owen SC Forestry Commission Post Office Box 21707 Columbia, SC, 29221</td>
<td>Carlisle Roberts, Esquire SC Department of Health and Environmental Control Legal Department 2600 Bull Street Columbia, SC, 29201</td>
</tr>
<tr>
<td>John Frampton, Director SC Department of Natural Resources 1000 Assembly Street Columbia, SC, 29201</td>
<td>Chad Prosser, Director SC Department of Parks, Recreation and Tourism 1205 Pendleton Street Columbia, SC, 29201</td>
</tr>
<tr>
<td>Honorable Gregrey Ginyard, Mayor Town of Jenkinsville 366 Lakeview Drive Jenkinsville, SC, 29065</td>
<td>Mitchell Willoughby, Esquire Willoughby &amp; Hoefer, P.A. Post Office Box 8416 Columbia, SC, 29202</td>
</tr>
</tbody>
</table>

PLEADING: PRE-FILED DIRECT TESTIMONY OF KEVIN W. O’DONNELL

October 17, 2008

Jackie C. Livingston, Paralegal