ELECTRONICALLY FILED - 2018 December 5 5:29 PM - SCPSC - Docket # 2017-370-E - Page 1 of 42

From: SMITH, ABNEY A JR
Sent: Tuesday, September 17, 2013 1:22 PM
To: bill.wood@cbi.com
CC: mehdi.maibodi@cbi.com; Hyde, JoAnne; Fox, William A; Hjelseth, Joel E; JONES, RONALD A; TORRES, ALAN D; WALKER, CARLETTE L; BROWNE, KENNETH JEROME; JOHNSON, SHIRLEY S; CHERRY, WILLIAM; WICKER, SHERI L; KOCHEMS, KEVIN R; Marciano, AJ
Subject: FW: August Target Labor Performance
Attachments: Aug_2013Target Perf.xlsx

Bill,
Enclosed in this email is an analysis that Ken performed on the Target price scope of work performance. His spreadsheet used in this analysis is attached. We request that you address this during your construction presentation during the project meeting tomorrow. Of particular note is the August data which shows a PF of 2.52. Our concern is not only the schedule impact but also that the higher PF is contributing to more Target dollars being spent which directly impacts the Target contingency dollars. As you are aware, the Target contingency pot of money based on projections is down to approximately $9M. Once this contingency projection exceeds the total Target contingency dollars allocated in the EPC Agreement, we are outside of the project budget approved by the SCPSC and would need to file for a revision to our budget. This would require a hearing before the SCPSC. We don't need to go there.

Please call if you have questions. Thanks.

Abney A. (Skip) Smith
Manager, Business & Financial Services
New Nuclear Deployment
South Carolina Electric & Gas Co.
803-941-9816 (Office)
803-530-5532 (Cell)
sasmith@scana.com

FYI, The attached sheet is one that I put together to analyze the monthly performance each month, rather than the inception to date (ITD) that CB&I reports to us. August was not a good month, due largely to the performance on Concrete, with 44,565 manhours expended for the month and only 14,410 earned hours. I suspect this is related to work on the "I" wall and the Unit 3 base mat, but need the labor billing to confirm exactly where the issues are (we should get that on Friday). Overall performance for the month shows a PF of 2.52 with 73,411 manhours worked and 29,076 earned. As a result of this poor performance, the ITD PF has bumped up to 1.25 from 1.22.

This shows a steadily increasing trend from an ITD PF of 1.14 in January 2013 to the present 1.25. In March 2012 (COL Receipt) the ITD PF was 0.94. From March 2012 through August 2013, the PF is 1.54 (1,162,851 work hours with 753,907 earned hours). Unfortunately, this may be a better representation of what we should expect as we move forward. Unless this trend is reversed, we should expect a substantial over-run of Target Price Craft Labor cost. To the best of my knowledge, this is in addition to previously identified Target Contingency allocations. Let me know if you have any questions.

Thanks, Ken

Ken Browne, P.E.
Senior Engineer
Business and Financial Services
New Nuclear Deployment, SCE&G
(803)941-9817

EXHIBIT 12
WIT: [illegible]
DATE: 10-18-18
K. KIDWELL, RMR, CRR, CRC

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From: WALKER, CARLETTE L
Sent: Tuesday, March 11, 2014 12:50 PM
To: 'Olcsvary, Duane C'; Hyde, JoAnne; 'Maibodi, Mehdi'
CC: SMITH, ABNEY A JR; CHERRY, WILLIAM; Hyde, JoAnne; JOHNSON, SHIRLEY S; BROWNE, KENNETH JEROME; KOCHEMS, KEVIN R; JONES, RONALD A; ARCHIE, JEFFREY B
Subject: RE: Project team for EAC

Hey Duane

First of all, there is no meeting set up for this Thursday. Secondly, not providing us with the EAC on or before April 30, 2014 is not acceptable. We have never had a conversation about something being provided over a series of workshops. Our expectations have been and continue to be to have the EAC completed and in our hand 4/30/2014 and the variance explanations for this EAC completed using the template presented to project management or executive management within 45 days of receipt of the EAC. If this is not achievable, this will be escalated to our executives effective immediately.

Carlette Walker
NND Finance
(803) 217 -6323

cwalker@scana.com

From: Olcsvary, Duane C [mailto:olcsvadc@westinghouse.com]
Sent: Tuesday, March 11, 2014 12:44 PM
To: WALKER, CARLETTE L; Hyde, JoAnne
Cc: SMITH, ABNEY A JR; CHERRY, WILLIAM; Hyde, JoAnne
Subject: RE: Project team for EAC

***This is an EXTERNAL email. Please do not click on a link or open any attachments unless you are confident it is from a trusted source.

Hi Carlette,

Thank you for your patience with us. Our EAC team has been working diligently to develop a template that will capture the right categories, as well as the right level of detail for the final product that will meet your needs. We expect to finalize that today, and will forward a copy to you in advance of meeting with you on Thursday.

The Integrated Schedule team is also working to finalize the first draft, unmitigated schedule by the end of this month. From that first product we will work to provide SCANA with two versions with the final EAC-a least cost schedule, and a version that achieves the earliest possible COD dates for units 2 and 3.

In our last meeting with you and your team we agreed that we would provide a final EAC to SCANA in a series of workshops in advance of the required June 1 target date.

EXHIBIT 13
WIT: Jones
DATE: 10-16-18
K. KIDWELL, RMR, CRR, CRC

Because of the magnitude of the effort required to fully mitigate the integrated project schedule, and the required internal review and approvals for the Consortium members, we are not able to commit to providing the EAC by 4/30/2014.

We will do all that we can to accomplish an earlier date, but our primary objective is to provide an integrated project schedule and EAC that we can confidently present to SCANA when we are done.

We will be happy to discuss this further in our meetiog with you on Thursday.

A meeting notice will follow.

Thank you again.

Regards,

Duane C. Olcsvary
Director- Americas
Commercial Operations

Westinghouse Electric Company
1000 Westinghouse Drive
Cranberry Township, PA 16066 USA
Phone: +1 (412) 374-6155
Mobile: +1 (724) 417-6038

Email: olcsvadc@westinghouse.com
Home Page: www.westinghousenuclear.com

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From: WALKER, CARLETTE L [mailto:CWALKER@scana.com]
Sent: Tuesday, March 11, 2014 10:59 AM
To: Olcsvary, Duane C; Hyde, JoAnne
Cc: SMITH, ABNEY A JR; CHERRY, WILLIAM
Subject: Project team for EAC

Hey Duane- we haven't heard anything and just wanted to express our desire to receive something tangible as it relates to the schedule for deliveries and deliverables for the project's EAC and the variance explanations. We are firm on needing the fully integrated schedule delivered no later than 3/31/2014 and the EAC by no later than 4/30/2014. We had previously also had all parties commit to delivering the variance explanations based on the new EAC within 45 days after receipt of the EAC. Please give us a status update on the projects efforts and the schedule.
Thank you,

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Carlette Walker
NND Finance
(803) 217 -6323

cwalker@scana.com .

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Summary Schedule of EAC Update
Deilvery of Schedule to Filing of Update Docket with PSC

3/30/14 — 60days — **6/1/14**

Schedule Delivery — EAC Delivery

6/1/14 — 118 Days — **9/27/14**

Owner's Due Dilligance/Negotiation/Owner's Cost Update

9/27/14 — 65 Days — **12/1/14**

Management Review and Docket Developed

Summary of Levelized Progress Payments

Assumptions

New payment schedule adopted retroactively to June 2013. This is the date the Consortium informed SCE&G the COD would be delayed to 12/17, 12/18.

New payment schedule starts March 2014

100% Numbers

07$'s Unless otherwise Stated

WEC (F.1.2)	
Paid - Progress Payments	$ 230,714,644
Forecast - Progress Payments	$ 98,495,466
Total Progress Payments	$ 329,210,110
Thru 3/14 Payments - Original Payment Schedule	$ 230,714,644
Thru 3/14 Payments - Levelized Payment Schedule	$ 224,274,657
6/13-3/14 Overpaid	$ 6,439,987
Escalation on Overpayment	$ 2,622,363
Total Overpayment	$ 9,062,350
Total Add'l Escalation Due to Levelizing	$ 5,810,963

CB&I (F.1.6a, F.1.6b, F.1.6c)	
Paid - Progress Payments	$ 99,878,867
Forecast - Progress Payments	$ 96,892,244
Total Progress Payments	$ 196,771,111
Thru 3/14 Payments - Original Payment Schedule	$ 99,878,867
Thru 3/14 Payments - Levelized Payment Schedule	$ 91,139,866
6/13-3/14 Overpaid	$ 8,739,001
Escalation on Overpayment	$ 2,389,957
Total Overpayment	$ 11,128,958
Total Add'l Escalation Due to Levelizing	$ 4,909,510

Estimate at Completion (EAC)

Financial/Commercial Concerns:

*Consortium discontinued tracking and reporting EPC Agreement Target Contingency Reporting Nov 2013

*Project team assigned to prepare the EAC has projected it will take at least 60 days from receipt of each schedule to deliver products to Owner for their review and due diligence work.

*Consortium's initial proposal for format, detail and structure for EAC is inconsistent with project-to-date "Shawtrac" reporting. Shawtrac reporting has become a tool our project oversight team has had to accept and has developed a database with all invoice details as well as a variety of other significant data downloads and has been consistently reconciled by the Owner to the project-to-date billings.

*Based on performance factors reported in the monthly project review meetings, Owner is very concerned that the direct labor tracked and measured is an indication of significant increases in EPC target and T&M costs.

EXHIBIT 14
WIT: Jones
DATE: 10-16-18
K. KIDWELL, RMR, CRR, CRC

Target Construction Productivity (Direct Hire Labor)

A	B	C	D	E (D/B)	F (C/D)	G	H	I	J (H/I)
Direct Construction Crafts	Target Work Hours	ITD Actual Hours	ITD Earned Hours	% Complete	To Date PF		Period Actual Hours	Period Earned Hours	Period PF
Site Prep	671,390	540,457	527,351	78.5%	1.02		2,523	1,472	1.71
Site Improvements	298,986	213,941	218,037	72.9%	0.98		4,714	1,819	2.59
U/G Electric	148,475	84,531	78,424	52.8%	1.08		763	142	5.37
U/G Valves	3,493	1,958	1,969	56.4%	0.99		0	0	0.00
U/G Pipe	138,564	102,395	61,183	44.2%	1.67		1,178	279	4.22
Concrete	4,075,545	1,893,113	1,009,383	24.8%	1.88		64,232	28,006	2.29
Special Concrete and Coatings	37,390	30,108	14,996	40.1%	2.01		1,236	907	1.36
Structural Steel	1,009,301	220,471	130,088	12.9%	1.69		15,765	3,668	4.30
Buildings	116,107	215	67	0.1%	3.21		54	0	0.00
A/G Electric	3,874,879	44,149	25,386	0.7%	1.74		1,577	558	2.83
Instrumentation	459,137	977	454	0.1%	2.15		0	0	0.00
A/G Valves	5,457	534	885	16.2%	0.60		0	0	0.00
A/G Pipe	1,319,443	72,505	41,339	3.1%	1.75		4,086	958	4.27
Pipe Welding/Hydro/Supports	2,364,291	120,367	69,206	2.9%	1.74		3,930	1,149	3.42
Major Equipment	682,743	240,151	151,147	22.1%	1.59		4,939	1,402	3.52
AP1000 Structural Modules	200,320	44,236	7,799	3.9%	5.67		6,663	0	0.00
AP1000 Mechanical Equipment Modules	13,263	12,827	2,570	19.4%	4.99		894	751	1.19
AP1000 Piping Modules- Containment	14,254	0	0	0.0%	0.00		0	0	0.00
AP1000 Piping Modules - Auxiliary Building	2,560	287	0	0.0%	0.00		284	0	0.00
Miscellaneous	12,762	1,832	1,443	11.3%	1.27		154	105	1.47
Total	15,448,360	3,625,054	2,341,727	15.2%	1.55		112,992	41,216	2.74

* Miscellaneous includes: Demolition, Liner, Insulation, Ductwork, Startup & Commissioning

EXHIBIT 1.5-
WIT: Jones
DATE: 10-16-18
K. KIDWELL, RMR, CRR, CRC

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Target Construction Productivity (Direct Hire Labor)

A	B	C	D	E (D/B)	F (C/D)	G	H	I	J (H/I)
Direct Construction Crafts	Target Work Hours	ITD Actual Hours	ITD Earned Hours	% Complete	To Date PF		Period Actual Hours	Period Earned Hours	Period PF
Site Prep	671,390	543,520	529,906	78.9%	1.03		3,063	2,555	1.20
Site Improvements	298,986	219,412	219,369	73.4%	1.00		5,471	1,332	4.11
U/G Electric	148,475	85,263	78,775	53.1%	1.08		732	351	2.09
U/G Valves	3,493	1,958	1,969	56.4%	0.99		0	0	0.00
U/G Pipe	138,564	103,574	62,056	44.8%	1.67		1,179	873	1.35
Concrete	4,075,545	1,956,111	1,034,218	25.4%	1.89		62,998	24,835	2.54
Special Concrete and Coatings	37,390	31,536	15,682	41.9%	2.01		1,428	686	2.08
Structural Steel	1,009,301	238,891	139,412	13.8%	1.71		18,420	9,324	1.98
Buildings	116,107	305	91	0.1%	3.35		90	24	3.75
A/G Electric	3,874,879	46,048	25,699	0.7%	1.79		1,899	313	6.07
Instrumentation	459,137	977	454	0.1%	2.15		0	0	0.00
A/G Valves	5,457	534	885	16.2%	0.60		0	0	0.00
A/G Pipe	1,319,443	78,677	43,010	3.3%	1.83		6,172	1,671	3.69
Pipe Welding/Hydro/Supports	2,364,291	125,379	71,557	3.0%	1.75		5,012	2,351	2.13
Major Equipment	682,743	245,931	155,792	22.8%	1.58		5,780	4,645	1.24
AP1000 Structural Modules	200,320	47,643	7,799	3.9%	6.11		3,407	0	0.00
AP1000 Mechanical Equipment Modules	13,263	13,356	2,570	19.4%	5.20		529	0	0.00
AP1000 Piping Modules- Containment	14,254	0	0	0.0%	0.00		0	0	0.00
AP1000 Piping Modules- Auxiliary Building	2,560	327	0	0.0%	0.00		40	0	0.00
Miscellaneous	12,762	2,077	1,547	12.1%	1.34		245	104	2.36
Total	15,448,360	3,741,519	2,390,791	15.5%	1.56		116,465	49,064	2.37

* Miscellaneous includes: Demolition, Liner, Insulation, Ductwork, Startup & Commissioning

EXHIBIT I&
WIT: Jones
DATE: Oto-12-15f
K. KIDWELL, RMR, CRR, CRC

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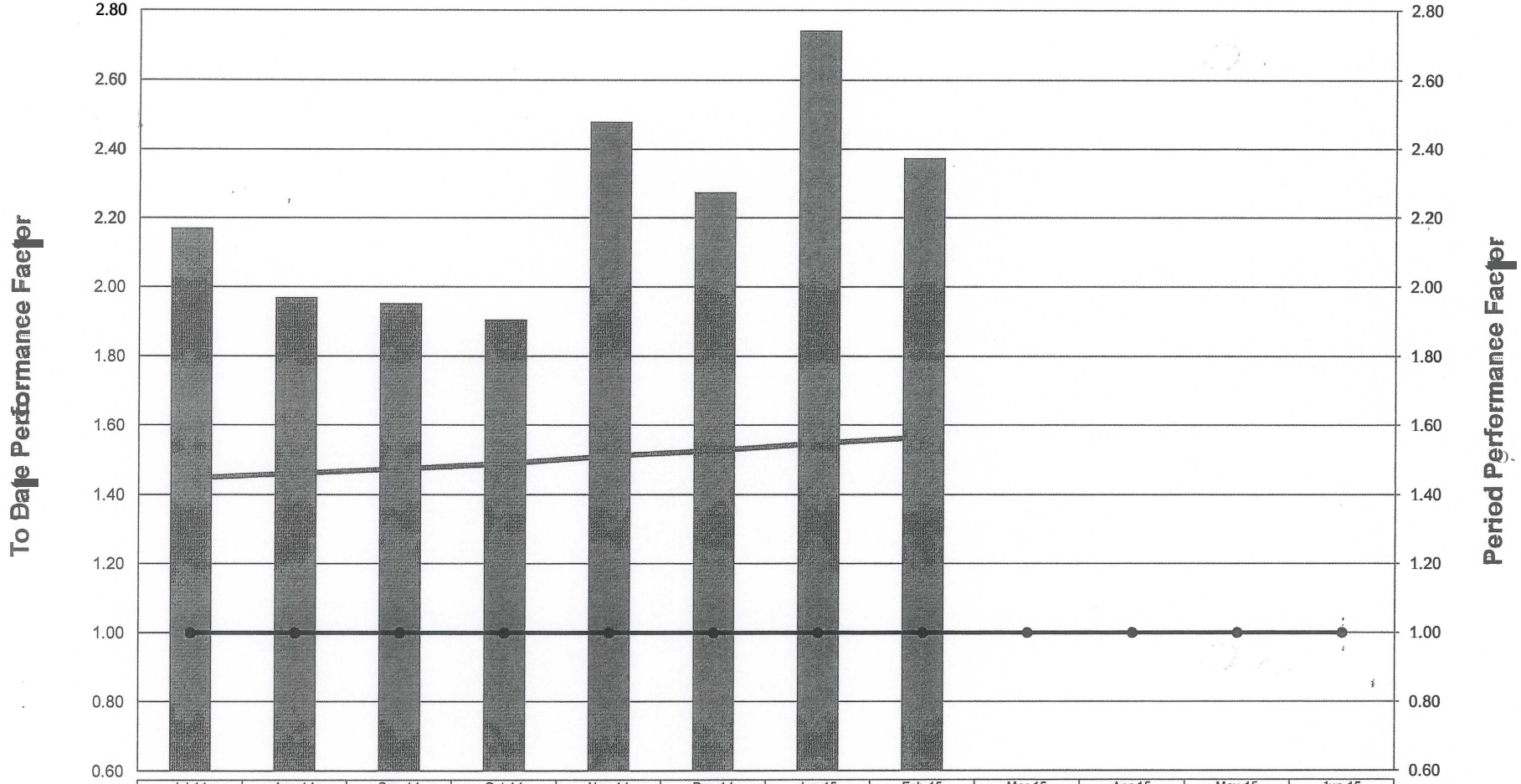
V.C. Summer Project

Overall Construction Composite Performance



	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
Period PF	2.17	1.97	1.95	1.91	2.48	2.27	2.74	2.37				
Planned PF	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
To Date PF	1.45	1.46	1.47	1.49	1.51	1.53	1.55	1.56				

EXHIBIT 17
WIT: Jones
DATE: 10-16-18
K. KIDWELL, RMR, CRR, CRC

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STATE OF SOUTH CAROLINA

COUNTY OF HAMPTON

IN THE COURT OF COMMON PLEAS

Richard Lightsey, LeBrian Cleckley, Phillip Cooper, et al, on behalf of themselves and all other similarly situated

Plaintiffs,

v.

South Carolina Electric & Gas Company, a Wholly Owned Subsidiary of SCANA, SCANA Corporation, and the State of South Carolina

Defendant.

Case No. 2017-CP-25-0335

SOUTH CAROLINA ELECTRIC & GAS COMPANY'S AND SCANA CORPORATION'S CONSOLIDATED RESPONSES AND OBJECTIONS TO PLAINTIFFS' SECOND CONSOLIDATED INTERROGATORIES

Pursuant to Rule 33 of the South Carolina Rules of Civil Procedure and Case Management Order No. 4 entered in this matter, Defendants South Carolina Electric & Gas Company ("SCE&G") and SCANA Corporation ("SCANA") (collectively, "Defendants"), submit these Consolidated Responses and Objections to Plaintiffs' Second Consolidated Interrogatories (the "Interrogatories").

TERMS OF RESPONSE

1. These responses reflect Defendants' information and belief as of the date on which these responses and objections are made and may be subject to change or modification based on further discovery or on facts or circumstances which may come to Defendants' attention at a later time. Discovery is ongoing and Defendants have not completed its investigation of the facts related to this case. Accordingly, Defendants reserve the right to supplement, revise, correct, clarify, or otherwise modify their responses and objections to the Interrogatories. Defendants also reserve the right to assert any other applicable objections to the Interrogatories and to object to any other demands relating to the subject matter of the responses herein. Defendants' responses to the Interrogatories are not intended to constitute a waiver of any rights or objections.

EXHIBIT 18
WIT: E-0
DATE: 10-12-18
K. KIDWELL, RMR, CRR, CRC

2. By responding to the Interrogatories, Defendants do not concede that the Interrogatories seek information that is relevant or admissible in the prosecution or defense of this case. By providing information in response to the Interrogatories, Defendants do not waive, and expressly reserve, all objections with respect to such information.

3. Defendants' assertion that they will produce documents in response to a particular Interrogatory is not to be construed as an admission that any such documents exist, but solely as an assertion that Defendants will produce (consistent with the objections and limitations raised herein or hereafter) any non-privileged, relevant, responsive documents or information within their possession, custody, or control that can be located after a reasonable search. Defendants expressly reserve the right to redact irrelevant or privileged portions of documents they produce.

4. Consistent with their obligations under the South Carolina Rules of Civil Procedure, Defendants will make a diligent, good faith search for information responsive to the Interrogatories. To that end, Defendants are willing to meet and confer to discuss these Responses and Objections.

5. Certain documents in Defendants' possession, custody, or control were obtained and are maintained by Defendants pursuant to agreements with third parties that designate the information as confidential and proprietary and restrict Defendants' ability to freely produce information without protections on the dissemination and use of such information. Defendants thus will disclose documents consistent with the protective order entered in this case.

6. Inadvertent disclosure of any privileged or otherwise protected information shall not constitute a waiver of any claim of privilege. Defendants hereby request the return of any such inadvertently produced privileged information and reserve the right to object to the disclosure or use of such privileged information at any stage of these or any other proceedings.

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ANSWERS TO INTERROGATORIES

1. **Identify each and every employee of SCE&G, SCANA Corporation, and/or SCANA Services, Inc., who was a member of the EAC team, and for each person identified, please state:**

a. Their job title and responsibilities;

b. The reason for selecting the employee for the EAC team;

c. To whom the employee reported in general;

d. To whom the employee reported as a member of the EAC;

e. The years the person served as a member of the EAC team;

f. The employee's EAC findings, if any;

ANSWER: Defendants object to this Interrogatory because the term "EAC team" is undefined, vague, and ambiguous. Defendants construe this term to refer to the Owners' EAC Review Team assembled in 2014.

Subject to and without waiving the foregoing objection, Defendants state that the members of the EAC Review Team were Senior Engineer Ken Browne; Contract Compliance & Controls Accountant Margaret Felkel; Finance Administration Manager Sheri Wicker; Manager of Nuclear Financial Administration Kevin Kochems; and Construction Manager Kyle Young. Each member served on the EAC Review Team in 2014 and 2015.

Defendants further state that they are not aware of particular reasons for the selection of each member of the EAC Review Team, or whether any members of the EAC Review Team reported to any other members of the team in their role as an EAC Review Team member. However, Defendants state that, in general during the 2014 and 2015 time frame: Mr. Browne reported to Business and Financial Services Manager Skip Smith; Ms. Felkel reported to Contract Compliance and Controls Manager Shirley Johnson; Ms. Wicker reported to Vice President for Nuclear Finance Administration Carlette Walker; Mr. Kochems reported to Ms. Walker; and Mr. Young reported to General Manager for Nuclear Plant Construction Alan Torres.

Defendants further state that they are unaware at this time of any documents identifying "EAC findings" made by individual team members.

2. **State was to implement the findings of the EAC team following its 2014 determination of cost to complete the VC Summer Project. *[sic]***

ANSWER: Defendants object to this Interrogatory because it is vague, ambiguous, and subject to multiple potential interpretations. Defendants state that this Interrogatory appears to contain a typo or accidental deletion that has rendered the Interrogatory without meaning. Defendants cannot respond to this Interrogatory without further clarification from Plaintiffs. Accordingly, Defendants request that counsel for Plaintiffs meet and confer with counsel for Defendants regarding this Interrogatory.

3. **State the names of all persons who were provided with a copy of the 2014 EAC report, provide the date on which the report was provided to that person, and state the reason that the report was provided to that person.**

ANSWER: Defendants object to this Interrogatory because the phrase "2014 EAC report" is undefined and subject to multiple possible interpretations. Defendants construe the term to mean the presentation prepared by the Owners' EAC Review team in October 2014.

Subject to and without waiving the foregoing objection, Defendants state that, on October 3, 2014, Sheri Wicker provided a draft of the report to Santee Cooper's Marion Cherry. At this time, SCE&G has not been able to identify the reason Ms. Wicker provided the report to this individual. Also on October 3, 2014, Kevin Kochems provided the draft document to Carlette Walker for information purposes.

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Defendants further state that, on October 7, 2014, Ken Browne provided the EAC Review Team's presentation to Al Bynum for purposes of obtaining legal advice. Al Bynum provided the presentation to George Wenick and Ron Lindsay for purposes of obtaining and rendering legal advice that same day. On October 10, 2014, Ken Browne provided the report to Skip Smith, Carlette Walker, Shirley Johnson, Alan Torres, and Ron Jones for information purposes. On February 20, 2015, Kevin Kochems provided the report to Belton Ziegler for purposes of obtaining legal advice.

Defendants have produced, or will produce, all non-privileged documents relating to the EAC Review Team correspondence described above. Defendants have logged or will log any privileged or protected documents.

4. **State the name of any consultants, companies, and/or other entities who reviewed, or provided, advice, audits, or similar services on the VC Summer Project, and for each entity identified provide:**

a. **The name of the person, company, or entity;**

b. **The purpose for that person, company, or entity's services;**

c. **The date the consultant, company, or service performed review, or otherwise undertook services on the VC Summer Project;**

d. **The outcome of those services;**

e. **The names of any employees of SCE&G and/or SCANA with whom the entity interacted;**

f. **Whether a report was generated as part of the services.**

ANSWER: Defendants object to this Interrogatory to the extent it requests information protected by the attorney-client privilege, the work-product doctrine, or any other privilege or protection. Defendants construe this Interrogatory not to request any such information. Defendants

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further object to this Interrogatory's use of the term "advice," as that term is ambiguous, undefined, and subject to multiple potential interpretations. Defendants construe the term "advice" to mean recommendations or suggestions regarding the construction schedule or other major decisions, and not advice relating to particular modules, sub-modules, or tasks.

Defendants also object to this Interrogatory because the phrase "on the VC Summer Project" is undefined and subject to multiple potential interpretations. Defendants cannot identify all entities that provided services or audits for members of the Consortium. Defendants construe this phrase to mean "for or on behalf of Defendants for the Project." Defendants construe this phrase not to mean services or audits performed for or on behalf of members of the Consortium. Defendants further construe this Interrogatory to seek audits or assessments of the Project schedule, consistent with Request No. 11 of Plaintiffs' First Consolidated Requests for Production.

Defendants further object to sub-part (e) as overbroad and unduly burdensome, as Defendants are unable to identify each and every "employee[] of SCE&G and/or SCANA with whom the entity interacted."

In addition, Defendants construe this Interrogatory to request information regarding services, documents, or audits regarding the Project itself, and not any such services, documents, or audits relating to all of Defendants' operations, which incidentally included the Project. Defendants further state that their review and analysis of documents in this case remains ongoing, and that they reserve the right to produce supplemental documents responsive to this Interrogatory.

Subject to and without waiving the foregoing objections, Defendants identify the following entities and engagements:

1. **Bechtel** — Owners retained Bechtel in 2006 to provide consulting and related services for purposes of applying for a Combined Operating License ("COL") from the Nuclear

Regulatory Commission. As part of this engagement, Bechtel assisted the Owners in preparing the COL Application. The NRC granted Owners' application for a COL.

2. **Bechtel** — Counsel for Owners retained Bechtel in 2015 in anticipation of potential litigation with the Consortium. Bechtel prepared a presentation dated October 22, 2015, produced a draft report dated November 12, 2015, and produced a report dated February 5, 2016 in connection with this engagement.

3. **CORB** – Owners created a Construction Oversight Review Board ("CORB") in 2016 for purposes of assessing areas of potential improvement in construction performance. The CORB produced reports in September 2016, December 2016, and April 2017.

4. **KPMG** – SCE&G engaged KPMG to prepare a New Nuclear Development Governance and Risk Management Control report in 2009. KPMG prepared a draft overview of its work stream in connection with this engagement.

5. **PwC** – Defendants engaged PricewaterhouseCoopers ("PwC") in 2010 and 2011 to evaluate the governance framework and control environment at the Project. PwC prepared a privileged report in 2010 in connection with this engagement and a draft, privileged report in 2011.

6. **ScottMadden** – Defendants engaged ScottMadden in 2014 for purposes of preparing an organization assessment for Units 2 and 3. ScottMadden prepared a PowerPoint presentation in connection with this engagement. Defendants also engaged ScottMadden in 2017 for purposes of assessing project execution. ScottMadden prepared a report in connection with this engagement.

7. **Vitale & Associates** – Defendants engaged Vitale & Associates in 2017 to provide data for purposes of assessing the time and cost to complete the Project following Westinghouse's bankruptcy and decision to reject the EPC Amendment and fixed-price

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option. Vitale & Associates prepared a report in connection with this engagement. After Santee Cooper's board voted not to continue construction, SCE&G announced that it would abandon construction of the Project.

8. **Secretariat International** — Counsel for defendants engaged Secretariat in 2016 in anticipation of possible litigation with the Consortium. Secretariat prepared privileged and protected reports on issues related to the Construction Milestone Payment Schedule and the Estimate at Completion.

9. **McKinsey** — Defendants engaged McKinsey in 2014 for purposes of assessing project infrastructure. McKinsey prepared a PowerPoint presentation in connection with this engagement.

10. **High Bridge Associates** — Defendants engaged High Bridge Associates in 2017 to analyze and assess proposed scheduling changes and productivity projections. High Bridge Associates' affiliate Work Management, Inc. produced a draft report in connection with this engagement.

11. **Deloitte** — Defendants engaged Deloitte in 2015 to audit the schedule for Project costs. Deloitte prepared an audit letter in connection with this engagement.

5. **Set forth the historical performance factor(s) for the VC Summer Project from 2008 through abandonment, and for the performance factor(s) identified, state the source of the historical performance factor information. In lieu of identifying historical performance factor analysis, please produce same, and/or any database where the VC Summer Project performance factor has been maintained during the relevant time period.**

ANSWER: Defendants object to the term "performance factor(s) for the VC Summer Project" because it is undefined and subject to multiple potential interpretations. Defendants construe

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this Interrogatory to seek the cumulative performance factors for direct craft labor through each month.

Subject to and without waiving the foregoing objection, Defendants state that documents reviewed by Defendants indicate the following to-date cumulative performance factors for direct craft labor:

PF Month Measured	Cumulative PF to Date	Source Document
Nov-10	1.79	SCANA_RP0300378
Dec-10	1.72	SCANA_RP0300378
Jan-11	1.32	SCANA_RP0300378
Feb-11	1.25	SCANA_RP0300378
Mar-11	1.27	SCANA_RP0300378
Apr-11	1.18	SCANA_RP0300378
May-11	0.98	SCANA_RP0300378
Jun-11	0.95	SCANA_RP0300378
Jul-11	0.92	SCANA_RP0300378
Aug-11	0.92	SCANA_RP0300378
Sep-11	0.91	SCANA_RP0300378
Oct-11	0.86	SCANA_RP0460198
Nov-11	0.88	SCANA_RP0460198
Dec-11	0.86	SCANA_RP0460198
Jan-12	0.87	SCANA_RP0689209
Feb-12	0.90	SCANA_RP0689209
Mar-12	0.94	SCANA_RP0689209
Apr-12	0.95	SCANA_RP0255366
May-12	0.97	SCANA_RP0255366
Jun-12	1.01	SCANA_RP0274916
Jul-12	1.06	SCANA_RP0274916
Aug-12	1.08	SCANA_RP0274916
Sep-12	1.07	SCANA_RP0274916
Oct-12	1.09	SCANA_RP0301521
Nov-12	1.11	SCANA_RP0301521
Dec-12	1.14	SCANA_RP0616680
Jan-13	1.15	SCANA_RP0986727
Feb-13	1.16	SCANA_RP0986727
Mar-13	1.18	SCANA_RP0986727
Apr-13	1.18	SCANA_RP0986727
May-13	1.20	SCANA_RP0986727
Jun-13	1.21	SCANA_RP0986727

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Jul-13	1.22	SCANA_RP0986727
Aug-13	1.25	SCANA_RP0986727
Sep-13	1.29	SCANA_RP0986727
Oct-13	1.30	SCANA_RP0986727
Nov-13	1.33	SCANA_RP0986727
Dec-13	1.35	SCANA_RP0986727
Jan-14	1.38	SCANA_RP0986727
Feb-14	1.38	SCANA_RP0986727
Mar-14	1.39	SCANA_RP0986727
Apr-14	1.41	SCANA_RP0466186
May-14	1.42	SCANA_RP0466186
Jun-14	1.43	SCANA_RP0529038
Jul-14	1.45	SCANA_RP0529038
Aug-14	1.46	SCANA_RP0529038
Sep-14	1.47	SCANA_RP0529038
Oct-14	1.49	SCANA_RP0529038
Nov-14	1.51	SCANA_RP0529038
Dec-14	1.53	SCANA_RP0736288
Jan-15	1.55	SCANA_RP0736288
Feb-15	1.56	SCANA_RP0736288
Mar-15	1.57	SCANA_RP0736288
Apr-15	1.60	SCANA_RP0736288
May-15	1.62	SCANA_RP0736288
Jun-15	1.62	SCANA_RP0736288
Jul-15	1.62	SCANA_RP0736288
Aug-15	1.63	SCANA_RP0736288
Sep-15	1.66	SCANA_RP0003806
Oct-15	1.69	SCANA_RP0003806
Nov-15	1.72	SCANA_RP0601825
Dec-15	1.74	SCANA_RP0601825
Jan-16	1.76	SCANA_RP0601825
Feb-16	1.77	SCANA_RP0601825
Mar-16	1.86	[To be produced.]
Apr-16	1.87	SCANA_RP0606374
May-16	1.90	SCANA_RP0606374
Jun-16	1.90	[To be produced.]
Jul-16	1.91	SCANA_RP0609428
Aug-16	1.94	SCANA_RP0609428
Sep-16	1.96	SCANA_RP0944396
Oct-16	1.99	SCANA_RP0398460
Nov-16	2.02	SCANA_RP0398460

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Defendants further state that they are not aware of any performance factor that was calculated for the remaining months.

6. **Identify each and every employee of SCE&G, SCANA Corp., and/or SCANA Services, Inc., whose job included or involved monitoring and/or tracking information on Primavera P6 (or any prior versions of the Primavera Software) and/or other similar scheduling software, and for each person identified please state:**

a. Their job title and responsibilities;

b. To whom they reported;

c. How often they reported;

d. The years they worked with the Primavera Software;

e. Their training on the Primavera Software;

f. In what manner they reported;

g. Where, in what manner, and in what format were historical reports maintained.

ANSWER: Defendants state that, during the construction of the Project, members of the Consortium, not the Owners, operated the Primavera P6 program and similar Primavera software for monitoring and tracking information.

Defendants further state that the Consortium at times provided to Defendants print-outs of images captured from the Primavera program, PDFs of such image captures, or electronic files in a format usable in Primavera software. Defendants state that their review and analysis of documents in this case remains ongoing, and that they are unable to determine at this time all employees of the listed entities who received those files or correspondence regarding those files. Defendants therefore reserve the right to produce supplemental documents responsive to this Interrogatory.

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Nonetheless, Defendants identify the following individuals who received those files or correspondence regarding those files: General Manager for Nuclear Plant Construction Alan Torres, Business and Financial Services Manager Skip Smith, Vice President for Nuclear Finance Administration Carlette Walker, Senior General Manager for Engineering Services Robert B. Stokes, Senior Nuclear Licensing Manager April Rice, Counsel Al Bynum, Manager of Nuclear Financial Administration Kevin Kochems, Construction Manager Kyle Young, Contract Compliance and Controls Manager Shirley Johnson, Senior Engineer Ken Browne, Vice President for Nuclear Construction and Start Up Ronald Jones, Scheduler Bernard Hydrick, Information Technology specialist Guy Bradley, Organization Development and Performance Manager Roosevelt Word, Quality Systems Manager Larry Cunningham, Operational Readiness General Manager David Lavigne, and Director of Corporate Security and Claims Elizabeth Best.

Defendants have not identified any formal reporting lines among these individuals specifically relating to Primavera scheduling. However, Defendants state that, in general and during the time period from 2014 to 2015: Mr. Hydrick reported to Mr. Young; Mr. Young reported to Mr. Torres; Mr. Browne reported to Mr. Smith; Mr. Torres, Mr. Smith, Ms. Rice, Mr. Word, Mr. Cunningham, and Mr. Lavigne reported to Mr. Jones; Mr. Jones reported to Senior Vice President and Chief Nuclear Officer Jeffrey Archie; Mr. Bynum reported to Senior Vice President and General Counsel Jim Stuckey; Mr. Kochems reported to Ms. Walker; Ms. Walker reported to then-Executive Vice President and Chief Financial Officer Jimmy Addison; and Mr. Bradley reported to Vice President and Chief Information Officer Stacy Shuler, Jr.

7. **Identify each and every type of report, audit, memoranda, or other document or database created, maintained, reviewed, received, or utilized by Defendants SCE&G and**

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SCANA to track and/or monitor progress of construction milestones at the VC Summer Project.

ANSWER: Defendants state that the following types of reports, audits, memoranda, documents, or databases were created, maintained, reviewed, received, or utilized by Defendants to track and/or monitor progress of construction milestones at the Project: Primavera scheduling software and schedules; Project Management Meeting PowerPoint Presentations; Quarterly Reports to the South Carolina Office of Regulatory Staff and filed with the PSC and audits thereof; BLRA Milestone Tracking Documents; BLRA Milestone Update Documents; BLRA Milestone Tracking Summary Files; Monthly Meeting Minutes; Milestone Completion Reports; schedule reports provided to ORS; "Weekly Construction Metric" presentations; "1 Week Lookahead" documents; and "PMO Oversight Summary" documents.

Defendants further state that their review and analysis of documents in this case remains ongoing, and that they are unable to determine at this time whether other types of documents were used to track and/or monitor progress of construction milestones at the Project. Defendants therefore reserve the right to produce supplemental documents responsive to this Interrogatory.

8. **Identify each and every type of report, audit, memoranda, or other document or database created, maintained, reviewed, received, or utilized by Defendants SCE&G and SCANA to track and/or monitor the budget of the VC Summer Project.**

ANSWER: Defendants object to the term "budget" because it is undefined and subject to multiple potential interpretations. Defendants construe the term to mean the capital cost budget for the Project. Defendants further object to this Interrogatory as overbroad and unduly burdensome to the extent that it purports to request that Defendants list by bates number every "document . . . created, maintained, received, reviewed, or utilized by Defendants . . . to track and/or monitor" the

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capital cost budget for the Project. Defendants construe the Interrogatory, consistent with Interrogatory No. 7, to request any "type of report, audit, memoranda, or other document or database" used to "track and/or monitor" the capital cost budget for the Project.

Subject to and without waiving the foregoing objections, Defendants state that they utilized financial budget documents; tracked the budget in the Quarterly Reports to the ORS and audits thereof; and created PeopleSoft and PowerPlant reports of payments made. Defendants further state that they listed expenses in various documents that did not track or monitor the budget for the Project or portions thereof.

9. **Identify each and every report, audit, memoranda or other document or database created, maintained, reviewed, received, or utilized by Defendants SCE&G and SCANA to track and/or monitor orders for equipment, tools, and supplies for the VC Summer Project.**

ANSWER: Defendants object to this Interrogatory as overbroad and unduly burdensome to the extent that it purports to request that Defendants list by bates number every "document . . . created, maintained, received, reviewed, or utilized by Defendants . . . to track and/or monitor orders for equipment, tools, and supplies" for the Project. Defendants construe the Interrogatory, consistent with Interrogatories No. 7 and No. 8, to request any "type of report, audit, memoranda, or other document or database" used to "track and/or monitor orders for equipment, tools, and supplies" for the Project.

Subject to and without waiving the foregoing objections, Defendants state that Defendants created, maintained, received, reviewed, or utilized the following: an Integrated Operations Readiness Schedule; Condition Reports in the CHAMPS program; procurement reports created in PeopleSoft; Monthly Meeting Minutes; and Weekly Module Reports; a Project Oversight Strategy

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Plan; Daily Reports of temporary construction equipment; and letters from the Consortium to Owner regarding small tools and consumables.

10. **Identify each and every report, audit, memoranda, or other document, or database created, maintained, received, reviewed, or utilized by Defendants SCE&G and SCANA to track and/or monitor craft labor at the VC Summer Project.**

ANSWER: Defendants object to the phrase "track and/or monitor craft labor" because it is undefined and subject to multiple potential interpretations. Defendants construe this Interrogatory to seek information regarding the efficiency of craft labor man-hours on the Project. Defendants further object to this Interrogatory as overbroad and unduly burdensome to the extent that it purports to request that Defendants list by bates number every "document . . . created, maintained, received, reviewed, or utilized by Defendants . . . to track and/or monitor" the efficiency of craft labor man-hours on the Project. Defendants construe the Interrogatory, consistent with Interrogatories No. 7, No. 8, and No. 9, to request any "type of report, audit, memoranda, or other document or database" used to "to track and/or monitor" the efficiency of craft labor man-hours on the Project.

Subject to and without waiving the foregoing objections, Defendants state that Defendants tracked or monitored the efficiency of craft labor man-hours on the Project in Project Meeting Minutes presentations, PF Ratio Reports, Daily Reports, and Monthly Project Review Meeting Minutes, Commercial Meeting Minutes, documents known as "Project Earnings Scorecards" or "EMVS reports," and documents titled "Productivity Analysis" saved in an "Owner Reports" folder. In addition, Defendants monitored the efficiency of craft labor in a limited number of "NND Self-Assessment Template" documents. Defendants further state that Defendants understand that the Consortium tracked or monitored the efficiency of craft labor man-hours in Shawtrac reports.

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Defendants also state that Vitale & Associates, referenced in Response No. 4, above, analyzed and assessed the efficiency of craft labor man-hours.

Defendants further state that their review and analysis of documents in this case remains ongoing, and that they are unable to determine at this time whether other types of documents were used to track and/or monitor the efficiency of craft labor man-hours on the Project. Defendants therefore reserve the right to produce supplemental documents responsive to this Interrogatory.

11. **Identify any and all policies and procedures in place during the relevant time period for monitoring the progress of construction milestones at the VC Summer Project.**

ANSWER: Defendants object to this Interrogatory to the extent that it seeks the identification of policies or procedures utilized by persons or entities other than Defendants. Defendants lack the ability to identify the policies or procedures utilized by Westinghouse, Stone & Webster, Fluor, the Office of Regulatory Staff, or other third parties. Consistent with Request No. 13 of Plaintiffs' Second Consolidated Requests for Production, Defendants construe this request to seek and procedures utilized by Defendants between 2008 and July 31, 2017, for monitoring the progress of construction milestones at the Project. Defendants also object to this Interrogatory to the extent that it seeks information protected by the attorney-client privilege or other applicable privilege or protection.

Subject to and without waiving the foregoing objections, Defendants state that Defendants utilized an NND BLRA Milestone Tracking Process flowchart, an Administrative Guideline known as "Review and Management of the SCE&G AP1000 Project Schedules," and a "Project Oversight Strategy Plan" for monitoring the progress of construction milestones at the Project. Defendants also state that SCE&G tracked the progress of construction milestones in its Quarterly Reports to the ORS, which were also filed with the PSC. Defendants further state that their review and analysis of

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documents in this case remains ongoing, and that they are unable to determine at this time whether other policies or procedures were utilized. Defendants therefore reserve the right to produce supplemental documents responsive to this Interrogatory.

12. **Identify any and all policies or procedures in place during the relevant time period for monitoring the budget for the VC Summer Project.**

ANSWER: Defendants object to the term "budget" because it is undefined and subject to multiple potential interpretations. Defendants construe the term to mean the capital cost budget for the Project. Defendants further object to this Interrogatory to the extent that it seeks the identification of policies or procedures utilized by persons or entities other than Defendants. Defendants lack the ability to identify the policies or procedures utilized by Westinghouse, Stone & Webster, Fluor, the Office of Regulatory Staff, or other third parties. Defendants therefore construe this request to seek and procedures utilized by Defendants between 2008 and July 31, 2017, for monitoring the capital cost budget for the Project. Defendants also object to this Interrogatory to the extent that it seeks information protected by the attorney-client privilege or other applicable privilege or protection.

Subject to and without waiving the foregoing objections, Defendants state that Defendants utilized an NND BLRA Reporting Process flowchart and a document entitled "EPC Productivity and Financial Performance Monitoring" for monitoring the capital cost budget for the Project. Defendants further state that their review and analysis of documents in this case remains ongoing, and that they are unable to determine at this time whether other policies or procedures were used. Defendants therefore reserve the right to produce supplemental documents responsive to this Interrogatory.

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13. **Identify any and all policies or procedures in place during the relevant time period for monitoring the utilization of craft for the VC Summer Project.**

ANSWER: Defendants object to the term "utilization of craft" because it is undefined and subject to multiple potential interpretations. Defendants construe the term to mean the efficiency of craft labor man-hours on the Project. Defendants further object to this Interrogatory to the extent that it seeks the identification of policies or procedures utilized by persons or entities other than Defendants. Defendants lack the ability to identify the policies or procedures utilized by Westinghouse, Stone & Webster, Fluor, the Office of Regulatory Staff, or other third parties. Defendants therefore construe this request to seek and procedures utilized by Defendants between 2008 and July 31, 2017 for monitoring the efficiency of craft labor man-hours on the Project. Defendants also object to this Interrogatory to the extent that it seeks information protected by the attorney-client privilege or other applicable privilege or protection.

Subject to and without waiving the foregoing objections, Defendants state that they utilized guidelines contained in a document entitled "EPC Productivity and Financial Performance Monitoring."

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		HAYNSWORTH SINKLER BOYD, P.A. By: _____ James Y. Becker Robert Y. Knowlton Elizabeth H. Black Mary C. Eldridge 1201 Main Street, Suite 2200 Post Office Box 11889 (29211-1889) Columbia, South Carolina 29201 (803) 779.3080
		Leah B. Moody **Law Office of Leah B. Moody, LLC** Post Office Box 1015 Rock Hill, South Carolina, 29731 (803) 327-4192 LeahBMoodyLaw.com David L. Balser (pro hac vice) Jonathan R. Chally (pro hac vice) **King & Spalding LLP** 1180 Peachtree St. NE Atlanta, GA 30309 Tel: (404) 572-4600 dbalser@kslaw.com jchally@kslaw.com *Attorneys for Defendants South Carolina Electric and Gas Company and SCANA Corporation*

September 24, 2018

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VC Summer Units 2 & 3 – Fixed Price Option Analysis

June 17, 2016

Executive Corporate Planning Committee – Executive Session

EXHIBIT 19
WIT: Jones
DATE: 12-14-17
K. KIDWELL, RMR, CRR, CRC

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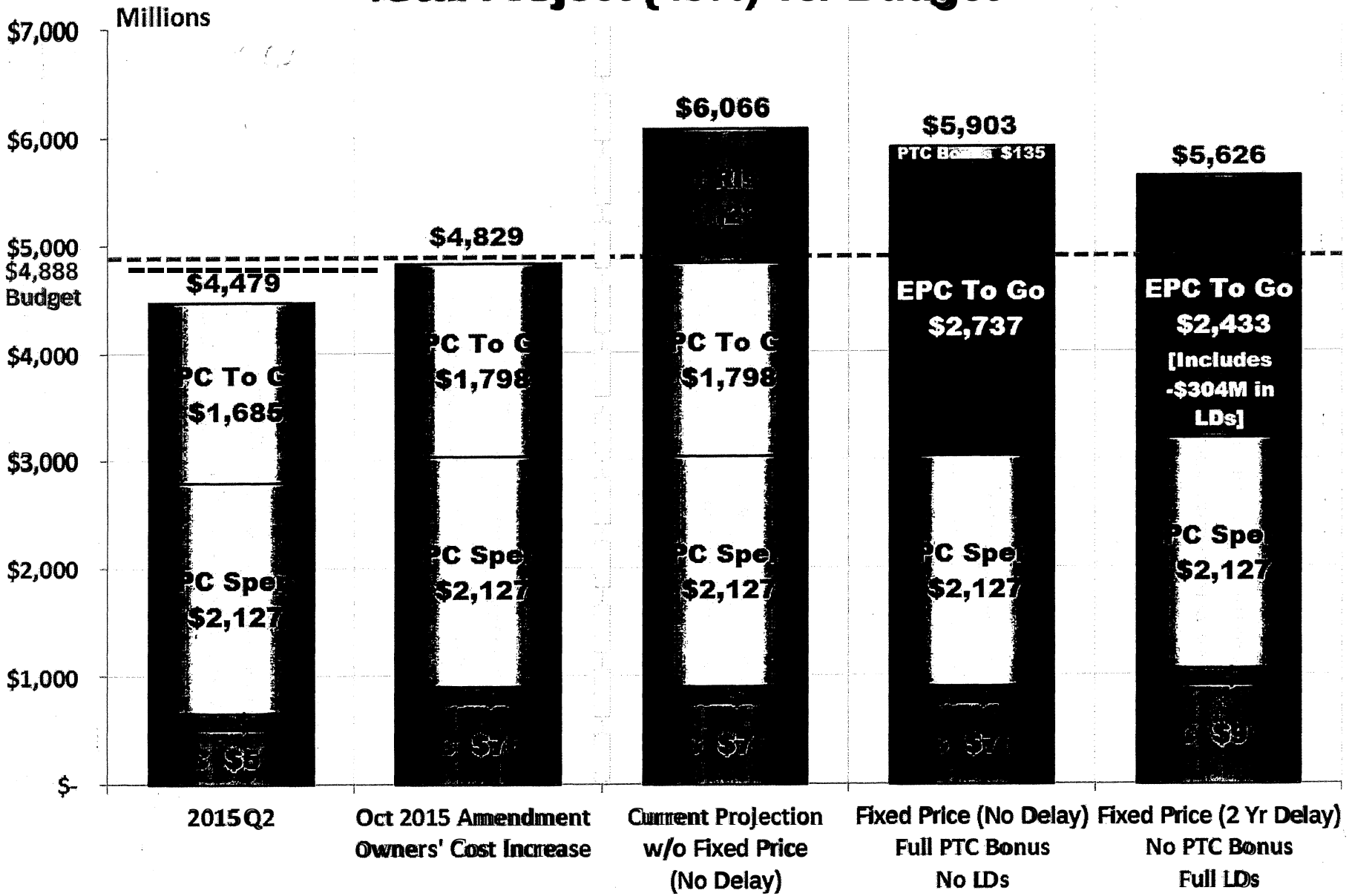
Total Project (45%) vs. Budget



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VCS 2 & 3 Fixed Price Option

- Fixed Price Option = $6.082 Billion (100% figures)
- To pay for EPC work from July 1, 2015 through project completion

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EPC Work Scopes – To Go Costs

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EPC Contract Costs

Fixed/Firm 40%	Target 50%	T&M 10%
❑ Engineering	❑ Labor	❑ Scaffolding
❑ Procurement	▪ Field Non-Manual	❑ Import Duties
▪ Engineered Equipment	▪ Craft	❑ Component Testing
▪ Modules	❑ Non Perm. Plant Matls.	❑ System Testing
▪ Shield Bldg. Panels	❑ Subcontracts	❑ Startup
▪ Commodities	▪ CV Fabrication	
	▪ Shield Bldg. Erection	

Greatest Risk and Uncertainty Associated with Target Scope

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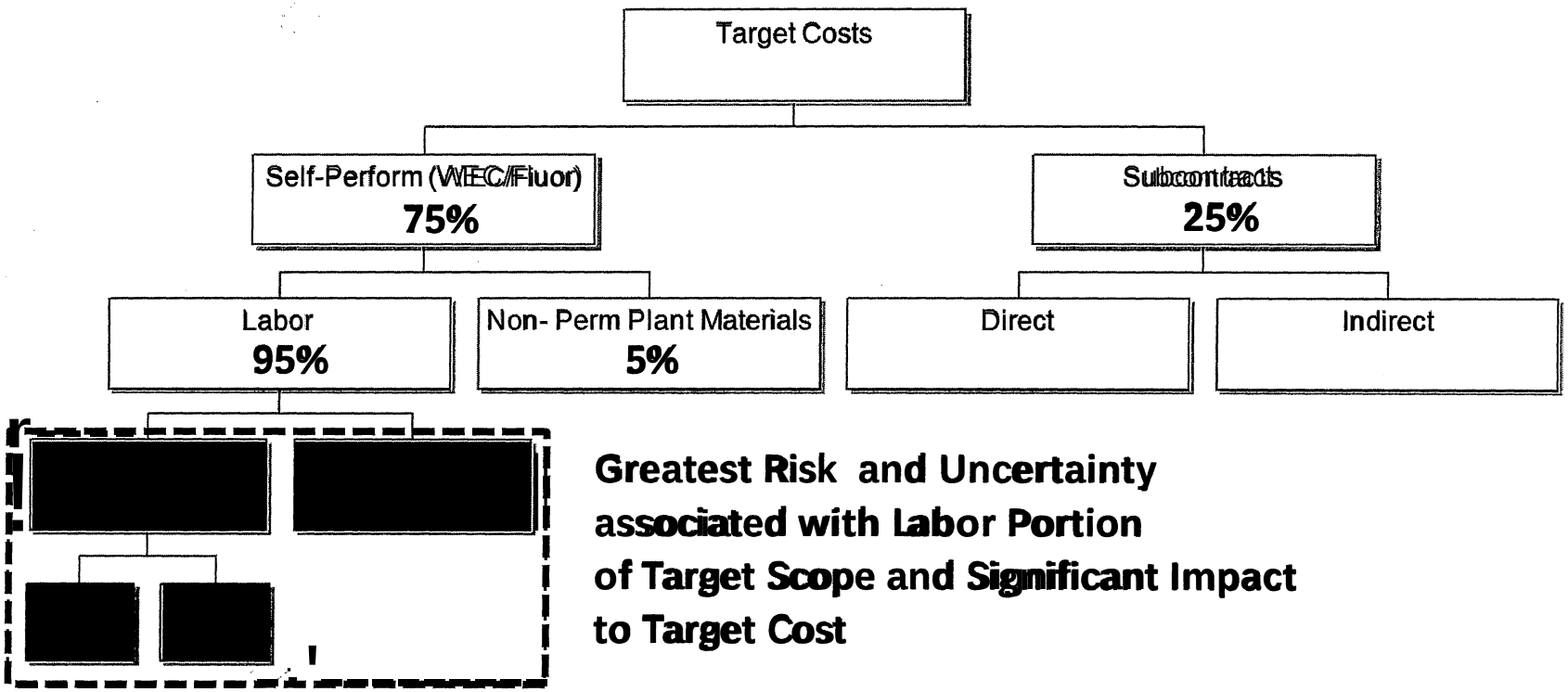
Target Costs



Greatest Risk and Uncertainty associated with Labor Portion of Target Scope and Significant Impact to Target Cost

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Fixed Price Option vs. Non-Fixed Price Option Analysis

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Factors

- Target Cost – primary risk and greatest uncertainty
- 25 inputs to Target Cost
- 14 variable inputs with some degree of uncertainty
- [redacted] with significant degree of uncertainty and impact to output

Analysis

- Probability analysis (5,000 iterations)
- Calculates possible Target Cost in Non-Fixed Price Option
- Compares it to the Break-Even Target Cost

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Break-Even Target Cost for To Go Work

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Summary of Total EPC Costs	
Fixed Price Option	**$6,082,000,000**
Non-Fixed Price Option	
Fixed	($389,260,000)
Firm	($1,342,754,000)
Firm Escalation	($714,508,310)
T&M	($327,253,500)
T&M Escalation	($215,700,100)
Target Spent 7/1/2015 through 12/31/2015	($147,290,899)
Break-Even Target	**$2,945,233,191**

For Target Cost > $2,945,233,191

Fixed Price Option is better Option

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Target Inputs

Input Values (input)

	Nominal	Minimum	Maximum	Stochastic	Min Δ	Max Δ
To Go Direct Craft MH (TGDC)	12,877,283	12,877,283	12,877,283	12,877,283	0%	0%
Direct Craft Productivity Factor (DCPF)	1.15	1.15	1.72	1.35	0%	50%
Direct Craft Hourly Wage Rate (DCWR)	$35.00	$33.25	$38.50	$36.75	-5%	10%
Indirect:Direct Craft Ratio (IDCR)	0.66	0.59	0.73	0.72	-10%	10%
Indirect Craft Hourly Wage Rate (ICWR)	$31.82	$30.23	$35.00	$31.21	-5%	10%
Pctg Craft on Perdiem (PCP)	65.0%	61.8%	68.3%	66.8%	-5%	5%
Craft Perdiem Hourly Rate (CPHR)	$5.83	$5.83	$5.83	$5.83	0%	0%
Tools/Consumables/PPE Markup (TCPM)	7.00%	7.00%	7.00%	7.00%	0%	0%
Fluor Markup to WEC (FMW)	4.0%	4.0%	5.0%	4.8%	0%	25%
WECTEC Markup to Owner (WMO)	3.09%	3.09%	3.09%	3.09%	0%	0%
WECTEC Field Non-Manual Labor Pctg (WFLP)	50%	50%	50%	0.50	0%	0%
Fluor Field Non-Manual Labor Pctg (FFLP)	50%	50%	50%	0.50	0%	0%
Field Non-Manual:Direct Craft Ratio (FDCR)	0.74	0.67	0.81	0.73	-10%	10%
Field Non-Manual Hourly Wage Rate (FWR)	$46.50	$44.18	$51.15	$49.30	-5%	10%
WECTEC Field Non-Manual Markup (WFM)	1.70	1.70	1.70	1.70	0%	0%
Fluor Field Non-Manual Markup (FFM)	1.50	1.50	1.50	1.50	0%	0%
Field Non-Manual PPE Markup (FPM)	1.0%	1.0%	1.0%	1.0%	0%	0%
Months Remaining in Project (MRP)	51	51	54	51	0%	6%
Non-Permanent Plant Materials Cost/Mon (NPMC)	$2,500,000	$1,875,000	$3,125,000	$3,051,869	-25%	25%
Direct Subcontracts Cost (DS)	$446,250,000	$423,937,500	$490,875,000	$457,614,657	-5%	10%
Indirect Subcontracts (IS)	$72,500,000	$68,875,000	$79,750,000	$78,927,442	-5%	10%
Subcontract Growth (SG)	10.0%	10.0%	10.0%	10.0%	0%	0%
WEC Remaining Subcontracts (WRS)	$147,689,674	$140,305,190	$155,074,158	$142,432,920	-5%	5%
Profit Already Paid (PAP)	$52,590,000	$52,590,000	$52,590,000	$52,590,000	0%	0%
Profit Limit (PL)	$25,059,853	$25,059,853	$25,059,853	$25,059,853	0%	0%

santee cooper

Target Inputs - Variable

Input Values (input)

	Nominal	Minimum	Maximum	Stochastic	Min Δ	Max Δ
To Go Direct Craft MH (TGDC)	12,877,283	12,877,283	12,877,283	12,877,283	0%	0%
Direct Craft Productivity Factor (DCPF)	1.15	1.15	1.72	1.35	0%	50%
Direct Craft Hourly Wage Rate (DCWR)	$35.00	$33.25	$38.50	$36.75	-5%	10%
Indirect:Direct Craft Ratio (IDCR)	0.66	0.59	0.73	0.72	-10%	10%
Indirect Craft Hourly Wage Rate (ICWR)	$31.82	$30.23	$35.00	$31.21	-5%	10%
Pctg Craft on Perdiem (PCP)	65;0%	61.8%	68.3%	66.8%	-5%	5%
Craft Perdiem Hourly Rate (CPHR)	$5.83	$5.83	$5.83	$5.83	0%	0%
Tools/Consumables/PPE Markup (TCPM)	7.00%	7.00%	7.00%	7.00%	0%	0%
Fluor Markup to WEC (FMW)	4.0%	4.0%	5.0%	4.8%	0%	25%
WECTEC Markup to Owner (WMO)	3.09%	3.09%	3.09%	3.09%	0%	0%
WECTEC Field Non-Manual Labor Pctg (WFLP)	50%	50%	50%	0.50	0%	0%
Fluor Field Non-Manual Labor Pctg (FFLP)	50%	50%	50%	0.50	0%	0%
Field Non-Manual:Direct Craft Ratio (FDCR)	0.74	0.67	0.81	0.73	-10%	10%
Field Non-Manual Hourly Wage Rate (FWR)	$46.50	$44.18	$51.15	$49.30	-5%	10%
WECTEC Field Non-Manual Markup (WFM)	1.70	1.70	1.70	1.70	0%	0%
Fluor Field Non-Manual Markup (FFM)	1.50	1.50	1.50	1.50	0%	0%
Field Non-Manual PPE Markup (FPM)	1.0%	1.0%	1.0%	1.0%	0%	0%
Months Remaining in Project (MRP)	51	51	54	51	0%	6%
Non-Permanent Plant Materials Cost/Mon (NPMC)	$2,500,000	$1,875,000	$3,125,000	$3,051,869	-25%	25%
Direct Subcontracts Cost (DS)	$446,250,000	$423,937,500	$490,875,000	$457,614,657	-5%	10%
Indirect Subcontracts (IS)	$72,500,000	$68,875,000	$79,750,000	$78,927,442	-5%	10%
Subcontract Growth (SG)	10.0%	10.0%	10.0%	10.0%	0%	0%
WEC Remaining Subcontracts (WRS)	$147,689,674	$140,305,190	$155,074,158	$142,432,920	-5%	5%
Profit Already Paid (PAP)	$52,590,000	$52,590,000	$52,590,000	$52,590,000	0%	0%
Profit Limit (PL)	$25;059,853	$25,059,853	$25,059,853	$25,059,853	0%	0%

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Target Inputs – Significant Impact and Uncertainty

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Input Values (input)

	Nominal	Minimum	Maximum	Stochastic	Min Δ	Max Δ
To Go Direct Craft MH (TGDC)	12,877,283	12,877,283	12,877,283	12,877,283	0%	0%
	1.15	1.15	1.72	1.35	0%	50%
Direct Craft Hourly Wage Rate (DCWR)	$35.00	$33.25	$38.50	$36.75	-5%	10%
	0.66	0.59	0.73	0.72	-10%	10%
Indirect Craft Hourly Wage Rate (ICWR)	$31.82	$30.23	$35.00	$31.21	-5%	10%
Pctg Craft on Perdiem (PCP)	65.0%	61.8%	68.3%	66.8%	-5%	5%
Craft Perdiem Hourly Rate (CPHR	$5.83	$5.83	$5.83	$5.83	0%	0%
Tools/Consumables/PPE Markup (TCPM)	7.00%	7.00%	7.00%	7.00%	0%	0%
Fluor Markup to WEC (FMW)	4.0%	4.0%	5.0%	4.8%	0%	25%
WECTEC Markup to Owner (WMO)	3.09%	3.09%	3.09%	3.09%	0%	0%
WECTEC Field Non-Manual Labor Pctg (WFLP)	50%	50%	50%	0.50	0%	0%
Fluor Field Non-Manual Labor Pctg (FFLP)	50%	50%	50%	0.50	0%	0%
	0.74	0.67	0.81	0.73	-10%	10%
Field Non-Manual Hourly Wage Rate (FWR)	$46.50	$44.18	$51.15	$49.30	-5%	10%
WECTEC Field Non-Manual Markup (WFM)	1.70	1.70	1.70	1.70	0%	0%
Fluor Field Non-Manual Markup (FFM)	1.50	1.50	1.50	1.50	0%	0%
Field Non-Manual PPE Markup (FPM)	1.0%	1.0%	1.0%	1.0%	0%	0%
Months Remaining in Project (MRP)	51	51	54	51	0%	6%
Non-Permanent Plant Materials Cost/Mon (NPMC)	$2,500,000	$1,875,000	$3,125,000	$3,051,869	-25%	25%
Direct Subcontracts Cost (DS)	$446,250,000	$423,937,500	$490,875,000	$457,614,657	-5%	10%
Indirect Subcontracts (IS)	$72,500,000	$68,875,000	$79,750,000	$78,927,442	-5%	10%
Subcontract Growth (SG)	10.0%	10.0%	10.0%	10.0%	0%	0%
WEC Remaining Subcontracts (WRS)	$147,689,674	$140,305,190	$155,074,158	$142,432,920	-5%	5%
Profit Already Paid (PAP)	$52,590,000	$52,590,000	$52,590,000	$52,590,000	0%	0%
Profit Limit (PL)	$25,059,853	$25,059,853	$25,059,853	$25,059,853	0%	0%

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Analysis Output – Target Cost

Summary Statistics

Sample Size (N):	5,000

Central Tendancy (Location)

Mean:	$3,514,612,385	Median:	$3,508,216,884
StErr:	$4,578,241		

Spread

StDev:	$323,730,512		
Max:	$4;340,783,689	Q(.75):	$3,770,972,366
Min:	$2,757,025,739	Q(.25):	$3,247,389,553
Range:	$1,583,757,950	IQ Range:	$523,582,813

Shape

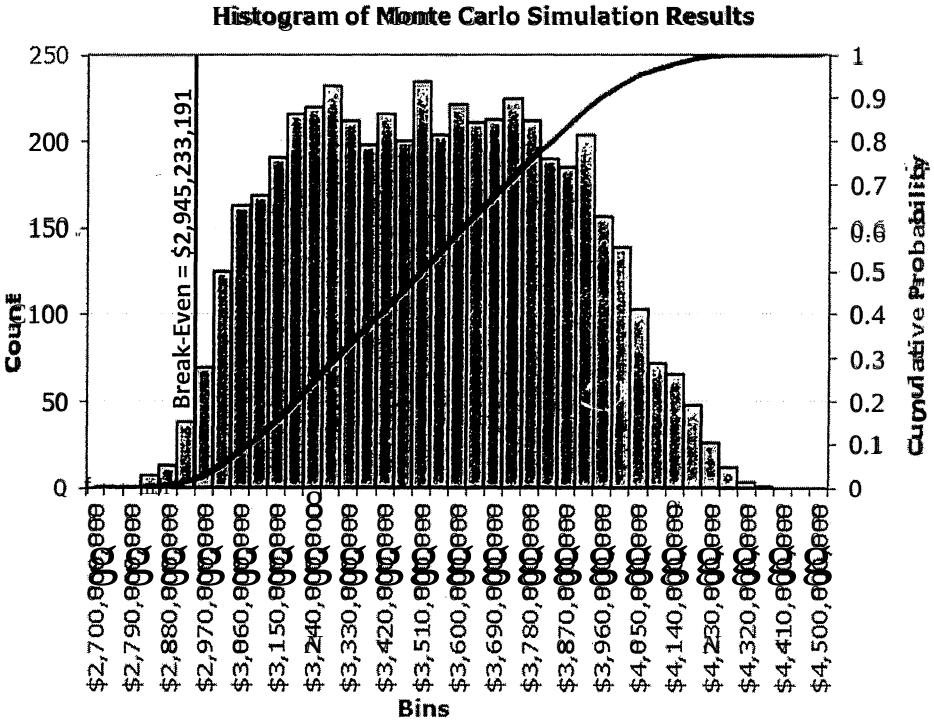
Skewness:	0.086019528
Kurtosis:	-0.9251144 12.

Quantiles, Percentiles, Intervals

	90% Interval		95% Interval
Q(.05):	$3,013,896,777	Q(.025):	$2,969,141,048
Q(.95):	$4,040,623,970	Q(.975):	$4,116,779,991
Alpha (a):	0.10	Q(a/2):	$3,013,896,777
% Interval:	90%	Q(1-a/2):	$4,040,623,970

Probabilities

Pr(y < [redacted]) =		1.80%
Pr(y < [redacted]) =		1.80%
Pr(y > $3,945,233,191) =		10.34%
Pr(2945233191 < y < 3945233191) =		87.86%
	Alpha (a):	0.1214



Only 1.80% of iterations result in a Target Cost < Break-Even Cost

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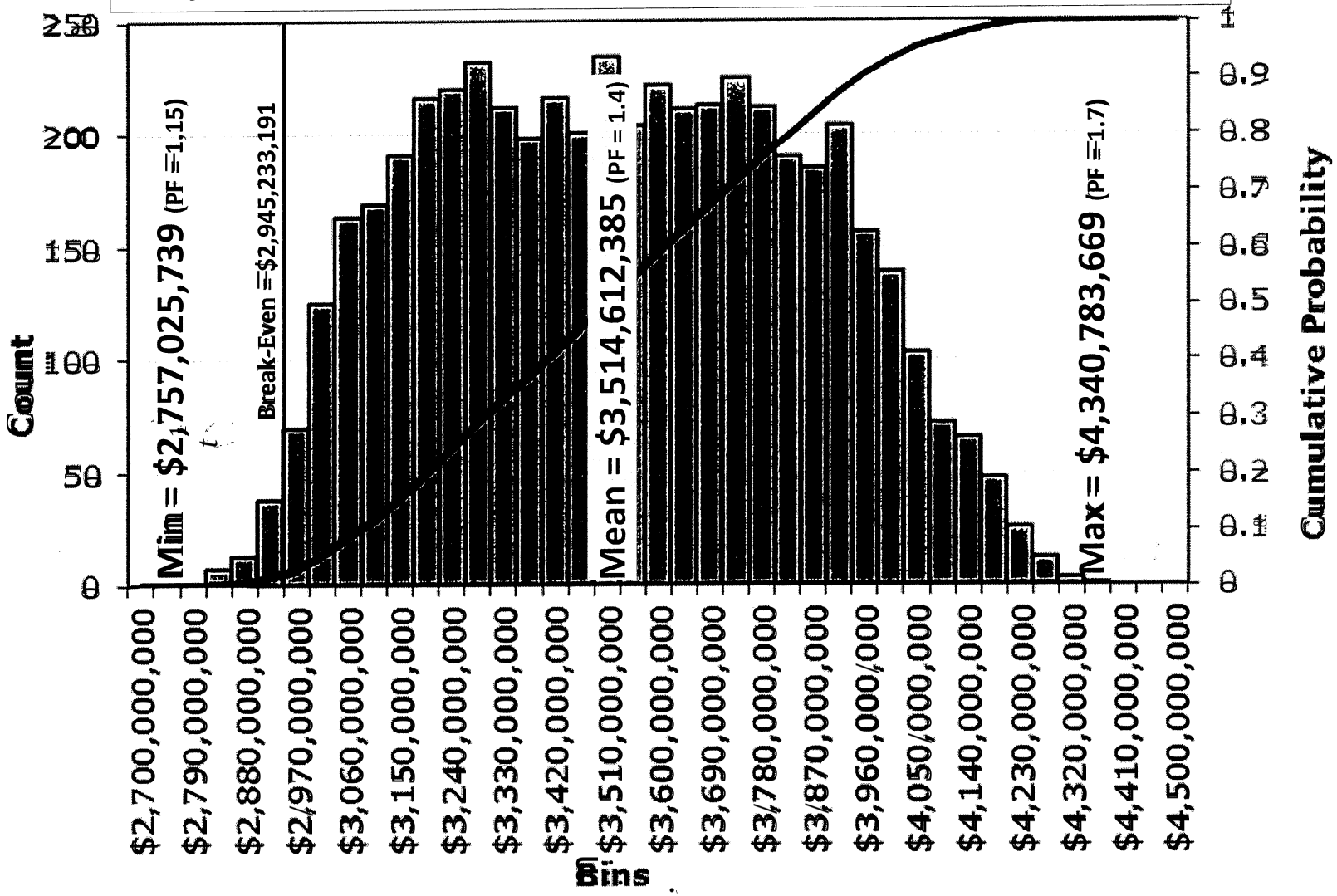
Analysis Output – Target Cost

Only 1.80% of iterations result in a Target Cost < $2,945,233,191



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SCE&G Analysis for Filing

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SCE&G Analysis

Input Values (input)

	Nominal	Minimum	Maximum	Stochastic	Min Δ	Max Δ
To Go Direct Craft MH (TGDC)	12,877,283	12,877,283	12,877,283	12,877,283	0%	0%
Direct Craft Productivity Factor (DCPF)	1.15	1.15	1.72	1.35	0%	50%
Direct Craft Hourly Wage Rate (DCWR)	$35.00	$33.25	$38.50	$36.75	-5%	10%
Indirect:Direct Craft Ratio (IDCR)	0.66	[illegible]	[illegible]	[illegible]	[illegible]	10%
Indirect Craft Hourly Wage Rate (ICWR)	$31.[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	10%
Pctg Craft on Perdiem (PCP)	65.0%	[illegible]	[illegible]	[illegible]	[illegible]	5%
Craft Perdiem Hourly Rate (CPHR)	$5.83	$5.83	$5.83	$5.83	0%	0%
Tools/Consumables/PPE Markup (TCPM)	7.00%	7.00%	7.00%	7.00%	0%	0%
Fluor Markup to WEC (FMW)	4.0%	4.0%	5.0%	4.8%	0%	25%
WECTEC Markup to Owner (WMO)	3.09%	3.09%	3.09%	3.09%	0%	0%
WECTEC Field Non-Manual Labor Pctg (WFLP)	50%	50%	50%	0.50	0%	0%
Fluor Field Non-Manual Labor Pctg (FFLP)	50%	50%	50%	0.50	0%	0%
Field Non-Manual:Direct Craft Ratio (FDCR)	0.74	0.67	0.81	0.73	-10%	10%
Field Non-Manual Hourly Wage Rate (FWR)	$46.50	$44.18	$51.15	$49.30	-5%	10%
WECTEC Field Non-Manual Markup (WFM)	1.70	1.70	1.70	1.70	0%	0%
Fluor Field Non-Manual Markup (FFM)	1.50	1.50	1.50	1.50	0%	0%
Field Non-Manual PPE Markup (FPM)	1.0%	1.0%	1.0%	1.0%	0%	0%
Months Remaining in Project (MRP)	51	51	54	51	0%	6%
Non-Permanent Plant Materials Cost/Mon (NPMC)	$2,500,000	$1,875,000	$3,125,000	$3,051,869	-25%	25%
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WEC Remaining Subcontracts (WRS)	$147,689,674	$140,305,190	$155,074,158	$142,432,920	-5%	5%
Profit Already Paid (PAP)	$52,590,000	$52,590,000	$52,590,000	$52,590,000	0%	0%
Profit Limit (PL)	$25,059,853	$25,059,853	$25,059,853	$25,059,853	0%	0%

DCPF: [1.00, 1.15, 1.25, 1.50, 1.75, 2.00]
DCWR: [-5.0%, 0.0%, +5.0%, +10.0%]

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SCE&G Analysis

- Labor cost primary driver
- Cost dependent on two main factors
  - Direct Craft Labor Productivity Factor
  - Labor Wage Rate
- 24-scenario sensitivity analysis performed

	Labor Escalation Rate			
Productivity Factor	-5.0%	0.0%	5.0%	10.0%
1.00	-5.7%	-4.3%	-2.9%	-1.6%
1.15	-1.5%	0.0%	1.6%	3.2%
1.25	1.2%	2.9%	4.7%	6.4%
1.50	8.1%	10.2%	12.3%	14.3%
1.75	15.0%	17.4%	19.8%	22.2%
2.00	21.9%	24.7%	27.4%	30.2%

= Most Likely Scenarios (Savings to customers range from 10.2% to 19.8%)

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