BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

[Aiken, South Carolina]

HEARING # 10-11113      MAY 6, 2010      6:00 P.M.

DOCKET NO. 2009-489-E:
SOUTH CAROLINA ELECTRIC & GAS COMPANY - Application for Increases and Adjustments in Electric Rate Schedules and Tariffs

TRANSCRIPT OF TESTIMONY AND PROCEEDINGS       VOLUME 3

HEARING BEFORE:  Elizabeth B. ‘Lib’ FLEMING, CHAIRMAN, John E. "Butch" HOWARD, VICE CHAIRMAN; and COMMISSIONERS David A. WRIGHT, G. O'Neal HAMILTON, Swain E. WHITFIELD, and Randy MITCHELL.

Advisor to Commission:  F. David Butler, Esq.

STAFF:  Jocelyn G. Boyd, Interim Chief Clerk/Administrator; James Spearman, Ph.D., Executive Assistant to Commissioners; Philip Riley and William O. Richardson, Advisory Staff; Patty Sands, Executive Staff; and Jo Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter.

APPEARANCES:

K. CHAD BURGESS, ESQUIRE, and MATTHEW W. GISSENDANNER, ESQUIRE, representing SOUTH CAROLINA ELECTRIC & GAS COMPANY, APPLICANT

SCOTT ELLIOTT, ESQUIRE, representing the SOUTH CAROLINA ENERGY USERS COMMITTEE, INTERVENOR

TOM CLEMENTS, representing himself, INTERVENOR

NANETTE S. EDWARDS, ESQUIRE, and JEFFREY M. NELSON, ESQUIRE, representing THE OFFICE OF REGULATORY STAFF
<table>
<thead>
<tr>
<th>INDEX</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>REMARKS OF REP. ROLAND SMITH</td>
<td>306</td>
</tr>
<tr>
<td>TESTIMONY of LAWRENCE J. MURPHY</td>
<td>315</td>
</tr>
<tr>
<td>TESTIMONY of ROBERT W. CONE</td>
<td>318</td>
</tr>
<tr>
<td>TESTIMONY of ANN DICKS</td>
<td>323</td>
</tr>
<tr>
<td>TESTIMONY of KATHRYN HILTON</td>
<td>326</td>
</tr>
<tr>
<td>TESTIMONY of LAM LE</td>
<td>328</td>
</tr>
<tr>
<td>TESTIMONY of JOE JOHNSON</td>
<td>331</td>
</tr>
<tr>
<td>Hearing Exhibit No. 10 marked/received</td>
<td>334</td>
</tr>
<tr>
<td>[Overview of increases versus inflation]</td>
<td>334</td>
</tr>
<tr>
<td>TESTIMONY of STEPHEN P. DONOHUE</td>
<td>335</td>
</tr>
<tr>
<td>Examination by Chairman Fleming</td>
<td>340</td>
</tr>
<tr>
<td>TESTIMONY of DEDRA WIEGAND</td>
<td>342</td>
</tr>
<tr>
<td>Cross Examination by Ms. Edwards</td>
<td>345</td>
</tr>
<tr>
<td>Examination by Commissioner Whitfield</td>
<td>346</td>
</tr>
<tr>
<td>TESTIMONY of EVANS DAGGETT</td>
<td>348</td>
</tr>
<tr>
<td>TESTIMONY of AL FRISON</td>
<td>349</td>
</tr>
<tr>
<td>Cross Examination by Ms. Edwards</td>
<td>353</td>
</tr>
<tr>
<td>Examination by Chairman Fleming</td>
<td>354</td>
</tr>
<tr>
<td>Late-filed Hearing Exhibit No. 11</td>
<td>354</td>
</tr>
<tr>
<td>[Bills reflecting unsatisfactory deposit situation]</td>
<td>354</td>
</tr>
<tr>
<td>upon receipt</td>
<td>354</td>
</tr>
<tr>
<td>TESTIMONY of TERESA ARNOLD</td>
<td>356</td>
</tr>
<tr>
<td>TESTIMONY of CHRISTEEN MURRAY</td>
<td>359</td>
</tr>
<tr>
<td>TESTIMONY of JESSY HARDY</td>
<td>362</td>
</tr>
<tr>
<td>TESTIMONY of ELAINCE COOPER</td>
<td>364</td>
</tr>
<tr>
<td>Hearing Exhibit No. 12</td>
<td>367</td>
</tr>
<tr>
<td>[Friends of the Earth flyer; 4/28/10 filing 367 of SCE&amp;G with handwritten notes]</td>
<td>367</td>
</tr>
<tr>
<td>TESTIMONY of JERMEL DANIELS</td>
<td>367</td>
</tr>
<tr>
<td>TESTIMONY of WADE FULMER</td>
<td>369</td>
</tr>
<tr>
<td>TESTIMONY of DWIGHT SMITH</td>
<td>373</td>
</tr>
</tbody>
</table>
TESTIMONY of STEPHEN P. DONOHUE (RECALLED) .................. 378
  Examination by Chairman Fleming .......................... 382
  Hearing Exhibit No. 13  

TESTIMONY of SUSAN CHRISTY .................................. 383

TESTIMONY of OLGA BUTLER .................................... 385

TESTIMONY of JEFFREY K. LEE .................................. 386

TESTIMONY of COURTNEY BELL .................................. 391
  Hearing Exhibit No. 14  
  [March 19 and April 19, 2010, SCE&G bills] .......... 402

TESTIMONY of ANN BELL ........................................ 395

TESTIMONY of PHILIP COPELAND ................................. 399

POST-HEARING EXHIBITS  
  Late-filed Hearing Exhibit No. 11  
  [See request, pg 355] ..................................... 402

REPORTER’S CERTIFICATE ........................................ 403
CHAIRMAN FLEMING: At this time I'd like to welcome all of you here tonight. We're looking forward to hearing what you have to tell us, and I certainly appreciate the wonderful facility that we have here. This is quite a star for the community, to have this technical school here. And I appreciate the fact that we're able to hold this hearing here.

I'm Lib Fleming; I'm Chair of the Public Service Commission. And I would like to introduce the other Commissioners. Commissioner O'Neal Hamilton is on my far left, Commissioner David Wright is next to him. Commissioner Butch Howard is our Vice Chairman. And on my far right, Commissioner Swain Whitfield and Commissioner Randy Mitchell.

We also are very pleased that we have Chairman Roland Smith with us tonight, who serves in the House of Representatives, serves you all very well there. And if you would like to say a few words, we would love to hear from you at this time.

REP. ROLAND SMITH: Thank you, Madam Chairman. I appreciate Commissioner Mitchell recommending that we have a hearing in this area. It's
important to the citizens, and you see that they're here, a number of senior citizens, and I guess that contributes to the reason they're here because most of them are on lowered income, fixed salaries -- fixed income.

Number one, I want to say thank you for coming and holding the hearing here in this beautiful auditorium at Aiken Technical College. This is in the House District that I represent, but I also represent all of Aiken County as Chairman of the Delegation. I'm here to welcome you and to say to you please -- and I know you've got a hard task before you, but I would ask one thing: In factoring out your decision, take into account what the citizens have to say to you tonight, because, you know, they are very concerned, and rightly so. Thank you.

CHAIRMAN FLEMING: Thank you, very much, for being here. At this time I'm going to turn it over to Attorney David Butler for the reading of the docket and to tell us a little bit about the process for the evening.

MR. BUTLER: Thank you, Madam Chairman and members of the Commission. My name is David Butler, and I am Senior Counsel to the Commission.
This is a local public hearing for Docket No 2009-489-E, South Carolina Electric & Gas Company's application for increase in rates and charges. In just a moment I'll be calling the names of those who signed up to come forward to the podium here and give their statement to the Commission regarding the rate increase proposed by South Carolina Electric & Gas.

Tonight's hearing is a part of the overall process that the Commission goes through when considering a rate case. Just to give you a brief summary of the process, the company files an application for its rate changes. Notice of that request is then published to the public, and in a case like this one, the Commission sets up one or more evening public hearings so that the public may be heard regarding any concerns about the company's application.

Also, beginning on Monday, May 24th, at 10:30 in the Commission's hearing room at 101 Executive Center Drive, Columbia, South Carolina, the Commission will continue the process by hearing from, among other witnesses, accountants and engineers who have analyzed the company's rate increase request. And on the evening of that same
day, beginning at 6 p.m., the Commission will hold another evening public hearing such as this one at the same location -- that is, at the Commission's headquarters -- to provide further opportunity for the public to be heard regarding any concerns about the company's application.

So before I go on, at this time I want to recognize briefly some of the litigants in this rate case matter. First off, I want to recognize South Carolina Electric & Gas, and would ask that they please stand and introduce themselves.

MR. BURGESS: Good evening, Madam Chairman, members of the Commission. My name is Chad Burgess and with me tonight is Matt Gissendanner. We are members of the South Carolina Bar, and we appear before you on behalf of SCE&G. I'd also like to state that we have other members from SCE&G present here tonight. There are folks from our Customer Services Department, there are also folks from our Communications Department, as well as senior management. We're here to listen to our customers' concerns, and we have got in the foyer some customer service representatives who can answer any questions or address any concerns our customers may have.
Finally, Madam Chairman, I would point out that at the initial night hearing we placed a continuing objection on the record, and that was allowed to continue in the second night hearing, and we would ask that be continued in this one, as well.

CHAIRMAN FLEMING: So noted.

MR. BURGESS: Thank you.

CHAIRMAN FLEMING: We're happy to have you here with us tonight.

MR. BUTLER: All right, thank you. I also note that we have at least two intervenors or representatives of intervenors in this case tonight. These are either individuals or organizations who have chosen to attend the full hearing in Columbia on May 24th, participate, cross-examine witnesses, and present their own in some cases. First, I have Mr. Tom Clements, who is all the way in the back, who is an individual intervenor, and we also have Mr. Scott Elliott, who represents the South Carolina Energy Users Committee, who is with us tonight. I believe that's all the intervenors we have at this time.

We also have tonight representatives of the Office of Regulatory Staff, and I would ask at this
time if they would stand and introduce themselves.

MS. EDWARDS: Good evening. My name is Nanette Edwards, and I'm an attorney representing the South Carolina Office of Regulatory Staff, and here with me is Jeff Nelson, also an attorney representing our agency.

I would also like to add that we have representatives here from our agency, specifically Chad Campbell. Chad, if you could stand up?

MR. CAMPBELL: [Indicating.]

MS. EDWARDS: Our agency is responsible for receiving consumer services complaints regarding regulated utilities such as South Carolina Electric & Gas. If you have issues -- billing, customer service issues -- I would recommend that you approach Chad Campbell either during or after the hearing, and we will stay a few minutes after the hearing to take any such concerns or questions regarding the utility and its application here.

One brief moment, I would like to respond to the SCE&G attorney regarding the continuing objection. Office of Regulatory Staff would also likewise, as we stated in the prior night hearings, like to state that we reserve our right to respond to any objection to the testimony.
CHAIRMAN FLEMING: Thank you. So noted.

Happy to have you all with us tonight, as well.

MR. BUTLER: Okay, thank you. Now, continuing

with the discussion of the procedure briefly,

tonight's hearing is about you. The court

reporter, Ms. Wheat, who is seated at the end of

this table, will record everything you say, and you

will be sworn in. When I call your name, please

come up to the podium in front of the Commission,

state your name and address after being sworn in,

and please speak directly into the microphone if

possible, so that we can hear you. Ms. Wheat is

charged with getting down every word that you say

for the record of this case.

This is your opportunity to place your

thoughts regarding the proposed rate increase on

the record in this matter. Now, this is not the

time for you to ask the Commissioners questions.

But as you've already heard tonight, we have

representatives with us from both the company and

from the Office of Regulatory Staff, and they are

present and can answer any questions that you may

have at the conclusion of the hearing.
The Commission will continue to gather evidence in this case until the conclusion of the May hearings. Thereafter, the Commission will then consider all the information that it gets from all of its hearings and will render a decision on the matter on or before July 20, 2010.

I did want to mention that we will give everyone a chance to speak that wants to be heard, but that the Commission has requested a time limit of five minutes on each speaker. Please recognize that you can really help us if you tell us what you want to tell us within a short period of time. And as you've noted, just for your own aid, we have a clock up front that will sort of show you where you are in your presentation time. But we would ask that you limit yourself to five minutes, please.

I did want to tell you that when you do come up and speak, you will be subject to questions from the parties and the Commissioners, and possible objections from the parties, but please remain at the podium for a moment after giving your statement so that the Commissioners or the lawyers may ask you any questions that they want to ask you.

And I wanted to mention that if you speak tonight, you'll not be permitted to speak at other
evening hearings or at the Commission's offices in Columbia, unless otherwise directed by the Commission. The usual rule is one bite at the apple. And further, if you filed as an intervenor rather than as a public witness in this case, we would ask you to hold your testimony until the May 24th daytime hearing in Columbia.

One final thing that I wanted to mention to you: If a person before you happens to say what you want to say and you think for some reason they have covered it, if you want to decline to speak when your name is called, that's fine. But, you know, please, the Commission and staff are here to hear what you have to say, the company and ORS are here to hear what you have to say, and we will be glad to listen to you, so feel free to come on up when your name is called.

And at this time, Madam Chairman, I think we are ready to go ahead and start with the names of those who want to be heard.

CHAIRMAN FLEMING: All right. If you would call the first person.

MR. BUTLER: Okay. I'd like to call Lawrence J. Murphy please.

MR. MURPHY: Bear with the old man, please.
[Laughter]

CHAIRMAN FLEMING: Take your time.

MR. MURPHY: I can't get out of these seats.

[Witness sworn/affirmed]

THEREUPON came,

LAWRENCE J. MURPHY,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Lawrence Murphy. I go by Larry. I live in Clearwater, South Carolina, on Edgewood Drive, in Woodridge.

And, of course, I feel very strong about coming here and commenting about the rate increase. And I was hoping to hear from South Carolina Electric & Gas to make sure that they are not talking about laying off people if the rate increase does not go through. We've got a lot of fine young men in this area that work for South Carolina Electric & Gas, and even though I think we're paying enough, I don't want to see them laid off or lose their job. So I will go from there.

Edward Jones is a financial company here in the North Augusta/Aiken County area, and I received some information from them on SCANA, which most of you already know that's the parent company of South
Carolina Electric & Gas. And I want to read you some things here, and so I'll try to stay within my five minutes.

"With a dividend yield above the industrial average, we believe SCANA pays an attractive dividend. In addition to this attractive yield, we believe the company will increase its dividends near 2 percent annual rate for the next five years.

"The various areas needing investment going forward include electric transmission lines, power plants, gas lines, and water utility infrastructures. These investments will be needed to address the effects of aging infrastructure, as well as to meet demands related to national customer growth. The investment needs to be several hundreds of billions of dollars over the next two or three decades. It is this spending that we believe will accelerate the future earnings growth of many utilities.

"The financial position of the regulatory overview is that in October of 2008 the company was awarded a $9.1 million natural gas increase and also received approval for a regulatory mechanism that will allow rate adjustments for changes in customer usage not only in South Carolina, but
North Carolina. In September 2009, the company was granted a $22 million electric rate in South Carolina. We view these outcomes as constructive from an investor viewpoint." It didn't say a homeowner; an investor viewpoint. "In January 2010, SCANA filed for a $197.6 million rate increase in South Carolina. The company requested that the increase be phased in over the next 18 months, July 2010, January 2011, and July 2011. We anticipate a reasonable ruling from regulators on this case later this month.

"We believe SCANA has a solid financial position. The company is currently rated BBB+, BAA2," stuff I don't understand. "We anticipate future cash flow will be used primarily to pay down debt, bringing the company's debt-to-capital into the low 50 percent range over the next few years."

This is a financial report by a company that is selling stock for South Carolina Electric & Gas, or SCANA. As a homeowner, I don't own any of this. I'm going to buy some, because it looks good, and I've got my retirement in the stock market. It took a hit today, $1,000 down today. If you own any stock and you don't know it, you better go outside and cry. But -- thank you, I'll be with
you in a minute.

    [Laughter]

WITNESS: The only thing is -- that I'm asking is, give us homeowners consideration on keeping this down. It is a blessing not to have huge power bills in the summertime before we even cut the air conditioning on. Thank you. Any questions?

CHAIRMAN FLEMING: Any questions?

MR. BURGESS: We have no questions of Mr. Murphy.

CHAIRMAN FLEMING: All right.

MS. EDWARDS: No questions, thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right, no questions.

You may be seated.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Robert W. Cone.

Robert W. Cone, please?

[Witness sworn/affirmed]

THEREUPON came,

    ROBERT W. CONE,

who, having been first duly sworn/affirmed, testified as follows:
WITNESS: I'm Robert W. Cone from Aiken, South Carolina, 318 Hopeland Farm Drive.

I'm an ex South Carolina Electric & Gas employee from the '60s. I'm a stockholder, a little bit. And I'm a ratepayer. So, I don't recommend -- I don't request anything for me. I just want to ask the power company to quit telling us how to caulk windows and minor things, whenever they don't do their in-house homework. Aiken County does not have any management supervision in being. The union runs it, and I have proof. Back in 1960-something, whenever I was with them, they decided -- the power company -- to divide the resources in Aiken City. And they sent me to North Augusta, which I agreed to go, no problem. And their crews, some of the men came, and women came, and they were going to do this for efficiency. And back in '62, things were cheap. It's not cheap now. Just the other year, what did they do? Boom [indicating]. Aiken loses all their support, gives the city the facility for $10, and now we've got to wait for service from Langley or wherever. It may take an hour, two hours. Of course. I know nothing is supposed to be instantaneous in this day and age. But, I think the work ethic in the power
company needs to be jacked up, and some supervision provided. I know -- it's hard to say it to my ex-
company, and my stock market today is probably in
the ditch - which, you know, I don't need it. I'm
just here for people that need it. I can make my
living like I've always done.

They had an underground failure to my house in
the last few years ago, and the union came out, and
of course, they knew me. And payback was in store,
so it took a man about three minutes to say, "Well,
it's an underground failure," and I knew that
because I'd already tested it. He called for help.
Help came, with no thumper. That stopped it. They
called Beech Island for a thumper, finally got
here. And finally got the power on that night. It
was good service. But, my goodness, the labor and
the trucks.

And then they put it in halfway -- they put
the power line temporarily in the top of the meter
box with no protection from rain. So, that's me a
problem. If it rains, the meter socket blows out,
the panel blows out, maybe my house burns down.
But they don't have a problem, they just ride off
and leave the open hole in the meter socket. I
thought sure he'd be back tomorrow, but they
didn't. It took over a month. Of course, I protected the meter socket with an umbrella and a paper sack and a plastic bag, but that's the kind of payback they give you. I had to call Columbia to get it fixed.

And I really need more than five minutes. They -- this man, a spokesman for the company, Scott Griggs, back in February, the 15th, says the company is really tight. They haven't laid off anybody, haven't furloughed anybody, and we've reduced our contractors. Well, that ain't true. The contractors have been all over Aiken since this date, and putting in poles, and cutting trees, and trimming trees all over Aiken County. So, this is not exactly right. Somebody needs to get it straight. Do they need a rate increase, or do they not?

The thing came out yesterday where the power company has done some figuring, and they're going to start some kind of program to give you some credits or something to save $2 or $3 million. Well, we've got credits now. You can go buy a refrigerator for $2,300, and you get maybe $200. Well, who's got that kind of money? People are unemployed and hungry. They got medicine bills.
I'm lucky, I don't have that. I worked and saved my money, but I didn't put it all in South Carolina Electric & Gas.

But I think they really need to look at it. And they're setting poles by the jillions, by contract, in Aiken, and leaving their old poles there. So, now, rather than an old ugly pole, you've got two ugly poles. How can you sell a house when you got four old poles on two corners? I mean, real estate is down, in case you don't know it. And I'm not in real estate, either.

So, all I'm asking you, increase production. There's some good people in the power company, but there's some loafers. Thank you.

CHAIRMAN FLEMING: Thank you. Just a minute. Are there any questions?

MR. BURGESS: No questions.

CHAIRMAN FLEMING: Ms. Edwards.

MS. EDWARDS: No, thank you, sir.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: No questions. You may be seated.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Ann Dicks,
please. Ann Dicks?

[Witness sworn/affirmed]

THEREUPON came,

ANN DICKS,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Ann Dicks. I stay at 314 Jehossee Drive, Aiken, South Carolina.

To the Chairman, to the other Commissioners, I stand here as a user of power from South Carolina Electric & Gas. And I would ask you to seriously consider denying this rate increase, for these reasons: In 2007, which was the Docket No. 2007-22-E, which was implemented in 2008, they received a 5.38 percent increase in electricity. Now they're coming back in 2010 and asking for 4.22 percent over that increase.

Now, the country has asked us to be conservationists, to conserve. So, if we as citizens are trying to conserve -- and what -- I mean, you aren't the only one that, you know, utility that I'm concerned about. But as citizens, and me in particular, we are trying to do this. For me, they say 78 degrees for your thermostat; I set mine at 80. And mind you, I'm uncomfortable
when it's over 70. So, I would say that everybody is asking of us, the citizens, for an increase, and increase.

In this area, there are a lot of retirees, there are a lot of elderly, and there are a lot of people out of jobs. I think that if South Carolina Electric & Gas shareholders -- and I wasn't able to get your annual 2009 report to see what your profit was -- but if your shareholders are getting a 2 to 5 percent increase, they are doing better than most of us, because those on fixed incomes haven't gotten any for the last couple of years. I'm retired. Flat salary.

So, I think that you need to consider, as we are trying to conserve, then the company needs to try to conserve. And what you need to take into effect is, as we conserve, that means that our usage is going to go down, so you're going to have to go back to the board and strategize how you are going to pay for costs when people are using less energy, because that is what we're doing, and that is a survival mode. That's not a luxury mode; that is a survival mode.

And in this area, you know, people are on fixed incomes, reduced incomes, and some have no
income whatsoever, particularly for the elderly, you know, when that becomes a significant part of their monthly budget.

So, I would suggest that you would seriously consider denying this increase. And as I said, I was told that it was a 9.5 percent increase that they were asking for. And I just think that that amount is just too much of a burden to put upon the citizens of this County and the citizens of this State. So, in your deliberation, please consider the citizens of this State. Thank you.

CHAIRMAN FLEMING: Thank you, Ms. Dicks. Just a minute, let's see if there are any questions.

MR. BURGESS: No questions, Madam Chair.

CHAIRMAN FLEMING: All right.

MS. EDWARDS: No questions.

CHAIRMAN FLEMING: And Commissioners?

[No response]

CHAIRMAN FLEMING: All right, you may be seated.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'll call Kathryn Hilton.

Kathryn Hilton, please?

[Witness sworn/affirmed]
THEREUPON came,

K A T H R Y N   H I L T O N ,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: I'm Kathryn Hilton, 1747 Ridgecrest Avenue, Southwest, Aiken, South Carolina.

Thank you all for receiving my comments today. I greatly appreciate this opportunity. I want to start again by reiterating what Ms. Dicks said, that there are a lot of people in South Carolina who are on fixed incomes and cannot afford this rate increase. Also in reference to that, I have a serious issue with the fact that residential ratepayers are going to face greater increases than the industrial sector, when it's my understanding that the industrial sector is using a larger portion of the electricity provided by SCE&G.

On another front, it's also my understanding that the rate increase is to fund environmental controls for two coal-fired power plants operated by SCE&G. I don't believe that it's my responsibility as a ratepayer to pay for the irresponsibility of SCE&G in providing us with this destructive source of power. I understand that these are federally mandated regulations that have
to be put into place, but I don't think that, again, it's my responsibility as a ratepayer to have to incur the costs of making this -- making a false -- it's my belief that even with the scrubbers that will be added to the coal-fired power plants, which is supposed to help clean it up, it really doesn't because it just forms particulate matter that has to be dumped, and that, you know, increases arsenic contamination, water, and et cetera, et cetera.

I think that SCE&G is being irresponsible with this rate increase, and it's time for the Public Service Commission to make them step up as a company, as our providers for electricity, and move towards something better. I would be okay with a rate increase if it was going to fund maybe infrastructure for clean energy, like renewables that we have in South Carolina that would help increase our energy independence, but I'm not okay with having to pay these rate increases so that SCE&G can continue to provide us power with dirty energy sources, because all that is doing in the long run is hurting South Carolina. There is no real positive outcome out of that.

And I really hope that as the Public Service
Commission, you all will do the responsible thing and deny the request from SCE&G to make this rate increase. I guess I'm finished.

**CHAIRMAN FLEMING:** Okay. Thank you, Ms. Hilton. Are there any questions?

**MR. BURGESS:** No questions.

**CHAIRMAN FLEMING:** All right.

**MS. EDWARDS:** No questions.

**CHAIRMAN FLEMING:** Commissioners?

[No response]

**CHAIRMAN FLEMING:** No questions. You may step down.

**WITNESS:** Thank you.

[WHEREUPON, the witness was excused.]

**MR. BUTLER:** I'd like to call Lam Le. Lam Le, please.

[Witness sworn/affirmed]

THEREUPON came, **L A M   L E**,

who, having been first duly sworn/affirmed, testified as follows:

**WITNESS:** Hello, my name is Lam Le. I live at 10 Inverness Street, West, Aiken, South Carolina.

I really appreciate the time you are taking out to listen to what I have to say today. I am a
student at the University of South Carolina/Aiken, and I currently live at home with my mother. And we use energy-efficient light bulbs, we turn off our lights when we're not in the room, I unplug appliances when I'm not using them, and still our electrical bill is through the roof. So, I'm really curious about how high these bills are for people who don't do that, because most people don't conserve as much as my mother and I do.

And I think that most customers of SCE&G oppose this rate increase, because we simply can't afford it. SCE&G says that they postponed this rate increase by a year because of the dire economy of 2009, but we are less than halfway through 2010, and the economy still isn't recovered. And I think that SCE&G should, you know, take responsibility for taking care of the customers, because I know that they know that a lot of us cannot afford this rate increase, even if it is phased in through several months.

And, you know, SCE&G has already been approved for a 2 percent rate increase every year for the next decade to pay for this $10 billion nuclear reactor at V.C. Summer. And on top of that, they're asking to raise their rates even more. I
understand that SCE&G says that it needs to raise an extra billion dollars from ratepayers to pay for, you know, mandated environmental upgrades to its coal-fired power plants, but we all should have a right to live in clean, healthy, and sustainable communities, and SCE&G should make a bigger effort in supporting renewables, safe energies, that would make us energy independent rather than relying on old, dirty, finite energy resources.

And decision-makers that support questionable practices must be scrutinized in order for the public to be properly protected, and I'm not just talking about protection from paying so much for our energy, but also for our health, because, you know, dirty energies are really, really bad for our health, our environment, and I really believe that SCE&G should not be given this rate increase that they are proposing.

So, I think that's all I have to say right now. I really thank you for your time, again.

CHAIRMAN FLEMING: Thank you. Are there any questions?

MR. BURGESS: No questions.

CHAIRMAN FLEMING: All right.

MS. EDWARDS: No questions.
CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may sit down. Thank you.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Joel Johnson.

Joel Johnson, please?

[Witness sworn/affirmed]

THEREUPON came,

J O E L   J O H N S O N ,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Joel Johnson. My address is 3048 Hackamore Drive, in Warreenville, South Carolina.

Before I begin, I want to thank you for letting me speak here. All of you people here need to contact Roland Smith, and contact him to start to get rid of the Base Load Review Act. That's a South Carolina law that has nothing to do with these people. Wal-Mart does not raise their rates to build a new Wal-Mart. Everybody sees that. McDonald's doesn't raise their rates to build a new McDonald's.
The part that I'm confused about is, in 2003, my wife and I designed a highly energy-efficient house, about 4,800-4,900 square feet, two stories. And I put that house on compass points and made it the most energy-efficient house that you could build at that time. Windows, extra insulation, facing south, big windows, overhangs, put in a geothermal heating and cooling system. My heating and cooling system was advertised to cool and heat my house for about $600 a year. Because of that, I got an energy conservation rate from SCE&G, which I'm sorry a lot of people don't have it. My rate for my electric bill was to be about $600 a year to heat and cool the house.

In that period of time -- I also have three stepdaughters and a wife who use hair dryers and everything else, which caused the electric bill to go up. But, if I could produce this into evidence for you [indicating], in January '04, there's a basic facilities charge of $7.50 that SCE&G charged. On January '08, they increased that to $7.73 and on February '08, they increased that to $8. Now, that might not sound like much, but that's $.50 for doing nothing. That's a 6.67 increase in your electric bill for just adding a
little dot onto the computer.

In 2004, in January, my rate was .078 for up to 800 hours. In 11/04, it was .08, an increase of 3.13 percent. In 11/05, it increased -- I'm sorry, excuse me. 11/04, it increased 1.8 percent; 11/05, it went up another 7.6 percent; 11/06, it went up another 3.02 percent; 11/07, it went up 1.38 percent; 11/08 it went up 13.6 percent; 11/09, it went up 4.38 percent. That's only up to 800 kilowatt-hours. The inflation rate during that time has averaged for '04 3.13, 3.46, 1.97, 4.31, 1.07, and 1.84.

The cumulative increase in my bill from January of '04 until November '09 is 35.796 percent, and after 800 kilowatts, it is 46.43 percent. Everybody here is experiencing that. They're going to experience it even more. Inflation in that same period of time averaged 16.81 percent.

In 2007, I bought an office, or building to convert into an office for myself. I made it even more energy efficient than my home: geothermal heating and cooling system, spray foam insulation, sky tubes in the ceilings. My bills have averaged less than $27. Basically, I'm doing what I'm
supposed to do to save energy. Everything I do to save money gets taken away by those people. And I don't remember what July '08 was like when it was 87 or 90 degrees back two years ago. Energy comes and goes, you know. But going forward, it's taking your money from you, ongoing, constantly, always.

Any questions?

CHAIRMAN FLEMING: Are there any questions?

MR. BURGESS: We have no questions.

CHAIRMAN FLEMING: All right.

MS. EDWARDS: No questions, thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: You would like to enter that into the evidence of the case? That will be entered into the evidence as Hearing Exhibit No. 10.

[WHEREUPON, Hearing Exhibit No. 10 was marked and received in evidence.]

CHAIRMAN FLEMING: Thank you. You may be seated.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Stephen Donohue. Stephen Donohue, please.
THEREUPON came, 

STEVEN P. DONOHUE, 
who, having been first duly sworn/affirmed, testified as follows:

WITNESS: I'm Steve Donohue, and I live at 316 East Shoreline Drive, in North Augusta. 

Madam Chairman and Commissioners, South Carolina Electric & Gas, and the Regulatory Staff, I don't have prepared remarks. I do have a question, though, for SCE&G. Could you tell me what 50 kilowatt-hours would cost a ratepayer?

MR. BURGESS: Mr. Donohue, we've got folks who would be more than happy to answer your questions after the proceeding is over or after you're finished giving your remarks. We have customer service representatives in the hallway.

WITNESS: Thank you, sir. That was one of my concerns about the hearing. I find it a little odd that lawyers show up as opposed to people who know the company. No offense, sir. But, if you're going to be able to ask a question, you ought to be able to have somebody here who can answer it instead of laymen, because it was relevant to my query. So, I would think in the future, the
company ought to have somebody at the table there
to answer a question, rather than make objections.

**CHAIRMAN FLEMING:** Mr. Donohue, this is like a
regular hearing, like a courtroom hearing, and we
have certain rules and procedures that we have to
follow. But I understand that SCE&G does have
staff who can --

**WITNESS:** Well, let me ask it to the staff
now. Are they here?

**CHAIRMAN FLEMING:** Well, you can go outside
and ask them, but what we can do right now is hear
what your comments are.

**WITNESS:** Okay. I thought I heard you could
ask a question. I assumed that was of a party. I
thought I heard that.

**MR. BUTLER:** No, sir.

**WITNESS:** Did I misunderstand?

**MR. BUTLER:** Yes, sir.

**CHAIRMAN FLEMING:** If you have questions --

**WITNESS:** If I misunderstood --

**CHAIRMAN FLEMING:** -- after the hearing.

**WITNESS:** -- forgive me. Forgive me.

**CHAIRMAN FLEMING:** You can do it after the
hearing. They'll be available.

**WITNESS:** Okay. Well, can anybody tell me if
this -- could I ask the Regulatory Staff, is this a vertically integrated company?

CHAIRMAN FLEMING: After the hearing, they can answer your questions.

WITNESS: Okay. I just would like to enter an objection. I think in the future you ought to have a party here that could answer questions, because when people show up, most of us as ratepayers, I don't know the ins and outs. You all do. You've been to many, many hearings. This is probably our first hearing, and as you just enumerated the rules, this is our only shot.

COMMISSIONER WRIGHT: Madam Chairman?

WITNESS: So, I think it could be improved upon.

COMMISSIONER WRIGHT: Madam Chairman?

CHAIRMAN FLEMING: Yes, Commissioner Wright.

COMMISSIONER WRIGHT: Maybe a possible solution, if he could reserve his right to come back before us, maybe he could go outside and get his question answered -- as it applied to what you were going to say -- and then we would just let you come back up. Would that be acceptable?

WITNESS: I would appreciate that.

COMMISSIONER WRIGHT: Is that -- would that be
acceptable?

MR. BURGESS: That's fine with us, Madam Chairman.

MS. EDWARDS: Yes, Madam Chairman, we would likewise echo that we do have representatives here who would be happy to answer your questions.

WITNESS: Thank you. The only question I have -- just to put it for -- I guess it would be a rhetorical question, since no one can answer questions here, so I'll make it a rhetorical question. Is SCE&G, rhetorically speaking, required to get competitive bids outside for energy as opposed to building plants? Are they required to do that analysis? A rhetorical question, obviously.

I won't ask them what the rate is for 500 kilowatt-hours because it's relevant to a chart I had as to average national energy costs.

Another rhetorical question I have, since no one answers questions, is, I think there is a stair-step rate -- I think the first 800 kilowatt-hours -- don't anybody answer the question.

[Laughter]

WITNESS: It sounds like the first 800 kilowatt-hours is a certain rate, and then it goes
up from there. I would think that the Commission would explore and maybe the Regulatory Staff could explore a super-low rate, figure out what maybe it takes a 1,000 square feet or a mobile home or something like that, air conditioning in the summer with a fairly efficient air conditioner, and I almost think that rate ought to stay flat or maybe even go negative. And then the rest of the people -- and I would include myself in this, because I live in a larger home -- make up the difference in that rate in the next 800 kilowatts, whatever the next jump up, so maybe my rate would go up on the next 800 kilowatts, but the first set would remain flat or even go negative -- would be a good idea.

I thank you for your time, and I wonder if I should answer any questions if you have any, since the rules seem to be you all don't answer questions.

[Laughter]

WITNESS: I'm a little concerned about the format. But, here I am.

CHAIRMAN FLEMING: All right. Do you all have any questions?

MR. BURGESS: No questions, Madam Chairman.

CHAIRMAN FLEMING: Okay. ORS?
MS. EDWARDS: No sir, but I will be outside if you need to talk.

WITNESS: Thank you, very much.

CHAIRMAN FLEMING: Commissioners?

[No response]

EXAMINATION

BY CHAIRMAN FLEMING:

Q I have a question.

A Yes, ma'am.

Q So, what you were saying is that you would appreciate like a conservation rate, an incentive to be conservative in your energy use?

A I would like for people who -- and I'm not in this category; I mean, I'm concerned about it, and I heard the State Representative -- that there ought to be given to retirees, or take the standard person, flat income, that you could figure out what does it take to air-condition say 1,000 feet or 2,000 square feet, and otherwise run a normal home that's not got holes in the rafters and all that. I'll make up a number. Let's say it takes a 1,000 kilowatt-hours a month, especially in the summer. South Carolina's summers would be the equivalent to Northeast winters. I mean, you could kill people in South Carolina with the heat if they don't have air conditioning. And in my view, the rate ought
to be either flat or even negative. Then the next 1,000 kilowatt-hours, maybe you double up that rate, so in the end the overall effect on the graph would be you'd get the same point and recover that cost so that they could -- I don't want them to lose money. I want them to stay in business. I'm not here to badmouth SCE&G. But, you ought to explore rates like that, so that people here in the audience who are of lower incomes and living in their houses, and they don't want to sell or move, or whatever like that, could stay there and not be forced out by higher rates. That's my idea.

CHAIRMAN FLEMING: Okay. Thank you.

WITNESS: Thank you, very much, for your time.

CHAIRMAN FLEMING: And if you --

WITNESS: I will go out and --

CHAIRMAN FLEMING: If you have any --

WITNESS: -- see if they're answering questions outside.

[Laughter]

CHAIRMAN FLEMING: All right.

[WHEREUPON, the witness stood aside.]

MR. BUTLER: I'd like to call Evans Daggett, please. Evans Daggett?

[No response]

CHAIRMAN FLEMING: Is Mr. Daggett here this
evening?

[No response]

CHAIRMAN FLEMING: All right. Well, I think we have some more people who signed up.

MR. BUTLER: Yes, we have. Okay. What about Dedra Wiegand? Dedra Wiegand?

[Witness sworn/affirmed]

THEREUPON came, DEDRA WIEGAND, who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Dedra Wiegand, and I live at 223 Hopeland Farm Drive, in Aiken, South Carolina.

I did not prepare anything. I just wanted to come and just give my opinion as a homeowner and a customer of SCE&G, that I agree with a lot of these men -- especially this gentleman here [indicating]. My -- our -- we've lived in this house for 12 years now -- well, will soon be in a few weeks -- and our SCE&G bill has doubled. We roast in the summertime, we freeze in the wintertime. We keep our -- like some of these have said, we can't afford to be comfortable in our house. I mean, I did not get a raise, an increase
this year. My husband did not get a raise increase this year, but yet everything is going up. We just got a rate increase, which has nothing to do with this, but with water. Now, this is wanting to increase.

I mean, we try very hard to be conservative with, you know, turning off lights. Like I said, we don't bump the thermostat up and down. And as everyone else, I'm concerned, because, you know, money can only go so far, and we do have to make our house payment. That's the first and foremost thing. We don't have a choice of going with a different company than them. We're stuck with them. I'm not saying -- but we have no choice when it comes to those things. You know, we're just stuck. Whatever you say, that's what we pay.

And I am not one person that doesn't pay my bill. My bill is on time every month. We have had some issues before -- I know you're not here to listen to all those personal things, but one month we got a bill for $350 and at that time our bill was only $120 every month. And that's because we don't move our thermostat, so we pretty much -- except for August and February, it's the same all the time. $350 light bill comes, or gas bill
combined. I call them up and say -- no, actually it was zero. It was like $2.35 the first month.

I call them, like, "Something's wrong here."
They're like, "Oh, well, you got a bill that was $2.35." I'm like, "Uh, excuse me, but it should be more like $120. There's something wrong." "Well, just pay the $2.35." I'm like, "Okay." So, I put my money aside, because I'm like, something is going to happen here. Well, next month I got a $350 bill. I called up and I said -- something had come up, and I had to -- you know, I had used a little bit of the money, not all of it. But, I'm like, "$350, can I pay you this month's bill and then a little bit for that and then next month pay the rest off?" "Oh, no, you've got to pay it all or we're shutting off your electricity." There ain't no giving. I mean, "You either pay every bit to the penny, or we're cutting off your electricity," and I'm like, "Wait a minute." At that point my children were small. I'm like, "You know, I pay every month. I don't come to you begging for a hand-out. I don't come in late. And you're telling me that you can't let me pay this month's bill and half of that or three-fourths of that and then pay you the rest next month?" "Oh, no, we
will come and shut your power off."

That's the only time I've ever had an issue, and that's just not right. That's not right, especially if you pay on time and you have no issues. But yet, they want an increase. That's all I have to say.

CHAIRMAN FLEMING: All right. Wait just a minute. Are there any questions?

MR. BURGESS: No questions.

CHAIRMAN FLEMING: All right.

MS. EDWARDS: Madam Chair, I do have one question, if I may.

CHAIRMAN FLEMING: Yes.

CROSS EXAMINATION

BY MS. EDWARDS:

Q When did this occur, the situation where --

A This happened a few years back.

Q Okay.

A It wasn't yesterday. We've been in this house, like I said 12 years. It was probably about five or six years ago, and I just think that that's uncalled for.

MS. EDWARDS: Thank you, very much.

CHAIRMAN FLEMING: Just a minute. Are there any questions from Commissioners? Yes, Commissioner Whitfield.
COMMISSIONER WHITFIELD: Thank you, Madam Chairman.

EXAMINATION

BY COMMISSIONER WHITFIELD:

Q I want to follow up on what Ms. Edwards just asked you. That was couple of years ago. Was that a winter month? Do you know what month that was?

A It was a hot month.

Q A summer month, okay.

A Yes.

Q And -- go ahead.

A Yeah, and it was just, you know, whenever we got the $350 bill -- I stay at home unless I'm at a doctor's office with my child or taking one to and from school. They said, when I got a $350 bill, they were like, "Well, we had to come out and change your meter," and I'm like, "When did you change my meter?" Well, they couldn't give me a date. I'm like, "Well, I think I would have known when you changed my meter." I mean, it's attached to my house. So, I don't know what happened. I can't tell you that -- I saw no tracks in my yard. We've got bushes there. Nothing -- I mean, there was no evidence that anybody had come and replaced the meter, but they said that they had, and that was the issue.
Q  What was your other -- prior to that, you said your
   bill --
A  $120.
Q  -- had been $120, but you said you were allowed to pay a
   lesser amount of that?
A  No, no, they wouldn't allow me -- oh, they made me pay a
   lesser amount because when my bill came, it was like
   $2.35, and I'm just being -- I'm not being -- I don't
   remember exactly, but it was under $5, and they were
   like, "Just pay that." I'm like, "Well, I don't have a
   problem paying that, but I know that's not my bill, I
   know that's not what we used. We live here." And the
   very next month when it doubled, they wanted it all at
   one time with no -- you know, "No, you can't give us,
   you know, like $125 for this month and half of what the
   other is." It had to be the whole $350 or they would
   shut off our electricity.

   COMMISSIONER WHITFIELD: Thank you, Ms.
   Wiegand. That's all I have.

   CHAIRMAN FLEMING: Okay. You may step down.

   WITNESS: Thank you.

   [WHEREUPON, the witness was excused.]

   MR. BUTLER: Okay, I'll call one more time for
   Mr. Evans Daggett? Is Mr. Daggett here? Come
   forward, please, sir.
[Witness affirmed]

THEREUPON came,

E V A N S  D A G G E T T ,

who, having first duly affirmed, testified as follows:

WITNESS: Good evening, gentlemen.

CHAIRMAN FLEMING: Good evening.

WITNESS: Ladies. I am Evans Daggett. I live in Aiken, South Carolina.

I have a question that the Commission should consider when they set this new rate. I have asked the people at the power company approximately what percentage of the fuel used in their generation is natural gas. It's about one-fourth. So, about one-fourth of their fuel cost is natural gas. If you check the price of natural gas since 2008, you will find the cost today is about one-third of what it was in 2008. It's been a continual decline.

I've noticed that the people who understand these rates say that probably it's not as low as it's going to go, but it's probably there. So to me, that means that the power company has been using cheaper and cheaper fuel, they've been charging the same rates; therefore, their profits must be greater. If this is the case, you have to decide if these profits were justified, in my view.
So I'm asking the Commission to look at the situation, and I would appreciate it if they did.

Do you have any questions?

CHAIRMAN FLEMING: Do you have any questions?

MR. BURGESS: No questions.

CHAIRMAN FLEMING: Okay. Ms. Edwards?

MS. EDWARDS: No questions. Thank you, sir.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: Thank you.

WITNESS: Thank you for the opportunity.

CHAIRMAN FLEMING: Uh-huh.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Al Frison, please. Al Frison?

[Witness sworn/affirmed]

THEREUPON came,

A L   F R I S O N ,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: Good afternoon. My name is Al Frison. It's going to take me a minute to relax. I do have sort of like questions, but you say you don't have to answer them, but they're questions that probably need to be addressed or taken into
consideration.

We have a voice, but do we have a choice, is what I want you to understand. Will this inevitable rate increase -- will you make solar or wind power more affordable for the citizens you serve?

Would more subcontracting to regional or local companies help with the cost of serving your customers?

During a natural disaster, do other power companies lend a hand, and if we have -- in other words, if the other companies from other -- like Duke Power -- if they come and lend a hand, they have to bring manpower, and is that cost tacked onto the citizens that you serve? Is it tacked onto their bill? And vice versa, if SCE&G has to go out-of-state -- and they say -- I guess it's volunteer, because it's a natural disaster -- is that cost going on down to the customers? What I'm talking about is the man-hours. If it's volunteer, somebody has to get paid for leaving their home to go do what they have to do.

Another thing I would like to suggest is that some things, and like most of -- most people are on a sixth-grade reading level. That's about average.
So, what I'm asking is that if you send information out to your citizens, I mean, to your customers, make it bold, friendly, simple, and something that they can use, that they can understand, like reading the meter. Since the new meters have been put in, when I go out there, I see a light blinking, and I don't know what it's doing. The old meters you could kind of see what's going on.

And I really don't -- I didn't quite get it where -- I had a $40 bill, and the only thing that was on in that unit was a refrigerator, okay? And that refrigerator is one of the main household appliances. And if it's $40 just alone, just sitting there with nothing in it, I'm kind of concerned about a normal household living where you've got the TV, you've got hairdryers, you've got all kinds of stuff going on, and if it's just $40 for that one refrigerator, I guess we need to kind of look into you sending your customers -- SCE&G sending your customers a program that allow them not -- allow them regular appliances, like refrigerators and stuff like that. Gas is just simply too expensive, in my opinion. I've had tenants to have -- their gas bill is more -- is higher than their electric bill. So, I suggest,
"Look, let's get you a space heater and turn your gas off," and they was able to survive.

And another thing I want to know is, is it legal for a water company to send its citizens a bill for streetlights? It's something that you need to look into. I live in Clearwater, and we are being charged for streetlights. Now, when I called SCE&G, they said it was private information. And this is not a subdivision; this is a community. And I have some concern about that.

And another thing is, when a customer pays a deposit, shouldn't they receive their full deposit after the final bill has been paid; and if you do it different, are you saying that "I got your money and I'm going to do it the way that I want to do it"? I had -- okay. I had a problem with somebody taking my deposit and giving me a credit for it, instead of letting me pay the final bill and send my deposit back fully in the mail. That's what I had a problem with.

Other than that, I just want you to understand that if you're going to go up on the rates, give the citizens an opportunity to either save money, okay, or give them the appliance to help them save money. I'm for nuclear energy. I'm for clean
energy. I'm for innovations. And I don't want to be in a situation where it's like, "We're going to do what we're going to do regardless of what you say." And I know that that's pretty much how America feels right now, and that's why I'm here tonight just to say that: Think about us. That's it.

CHAIRMAN FLEMING: Okay, thank you. Do you have any questions?

MR. BURGESS: No questions.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: Yes, Madam Chair.

CROSS EXAMINATION

BY MS. EDWARDS:

Q Mr. Frison -- is that correct?

A Frison.

Q Mr. Frison, you mentioned that you are billed for street lighting?

A Yes, ma'am.

Q Would you be willing to see Mr. Campbell as soon as you finish any questions that the Commissioners may have?

A Yes, ma'am.

MS. EDWARDS: Thank you.

CHAIRMAN FLEMING: Commissioners, are there any questions?
[No response]

CHAIRMAN FLEMING: No questions?

EXAMINATION

BY CHAIRMAN FLEMING:

Q I wanted to -- I understand Ms. Edwards is going to follow through, but you're saying that the charge for the streetlight was on your water bill?

A Yes, ma'am.

Q Okay. And the deposit, are you saying that rather than refunding you the deposit, they deducted that from the final bill?

A What they did was took that -- a portion of that deposit and put it on another account, and I didn't appreciate that.

Q Oh, so they applied it to another account that you had.

A Right. In other words, when you pay a deposit, you don't pay with credit; you pay with money. Cash, credit cards, whatever you pay. And so if you get a final bill, the guy comes out and reads it and you get a bill in the mail, "When you pay that bill, we'll send your deposit back." The same deposit, whether it be $750 or $150 that you sent in, you get back. Every penny of it.

Q And that didn't happen for you?

A It didn't happen, and it's almost like, "We have your money and we're going to do what we want to do."
Okay.

And are we really customers when we don't have any other choice? I like SCE&G. I like planners, or rural electric companies. SCE&G is something like Georgia Power. I think they're caring people. And I was surprised to get that kind of taste from SCE&G. Not shocked, but you know, a little surprised.

And you don't have this bill available that shows this?

I could find it.

CHAIRMAN FLEMING: Okay. If you would like to enter that into the evidence of the case and send that to -- see Ms. Wheat afterwards, she can arrange to enter that, and that would be entered into the evidence of the case as Hearing Exhibit No. 11.

WITNESS: Also, if there's a grandfather clause about streetlights, that's something I need to know.

CHAIRMAN FLEMING: Well, you can talk with Ms. Edwards afterwards about that. All right, thank you. You may sit down.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Teresa Arnold. Teresa Arnold, please.

[Witness sworn/affirmed]
THEREUPON came,  

TERESA ARNOLD,  

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Teresa Arnold, and my address is 238 Cedar Falls Drive, Blythewood, South Carolina, so I drove from Columbia to talk tonight, okay?

Actually, I come here because I am the legislative director for AARP, and we have a little over ½ million members in South Carolina, and I don't know if you've noticed but we have asked our members to let their concerns be known.

One of the things I looked at before I sent our letter of concern and protest about this rate hike was I looked at the most recent data about the per capita income for South Carolina. It's 47th. It's the 47th lowest per capita income in the nation. That was in 2007. I imagine it's worse now. It used to be 39th, so we're going in the wrong direction.

We have 700,000 people in South Carolina on Social Security. They did not get a COLA this year, a cost-of-living increase. About a third of those people, possibly more, only receive Social
Security. And so those people are hurting, and I get calls from them all the time. I get calls from 80-year-old women who live by themselves and have to shut themselves in one room and can't heat the rest of their house. I get a lot of calls, so I understand what it's like for folks. Also, the fact that SCE&G customers currently pay $118 for 1,000 kilowatt-hours -- or that's the information that I've gotten, the most recent information that I've gotten -- and in comparison, Duke Power customers pay $93 for 1,000 kilowatt-hours, following their recent rate increase.

I guess my point with all of this information is to say that SCE&G wants a rate increase -- and I understand that they may have negotiated a lower rate increase with ORS. I don't know too much about that. Even the lower rate increase would give them investment income, or interest rate, of 10.6 percent I think, 10.7 percent. When people are not -- I mean, you're talking about -- they're just asking for a reduction in the amount of the increase that they want, and people here are not having any increase or either they're having their budgets cut. So, what we at AARP -- our message is, this is not the time for a rate increase. We
ask you to delay this decision.

I'm really happy to see so many people here. I think this is a wonderful part of the civic process. We will continue to encourage our AARP members to be a part of this process and to remind them that the Public Service Commission serves the public, and this is the public that is struggling right now. And so we ask your consideration for denying this rate increase. And thank you, very much.

CHAIRMAN FLEMING: Thank you. If you could wait just a minute. Are there any questions?

MR. BURGESS: No questions, Madam Chairman.

CHAIRMAN FLEMING: Ms. Edwards?

MS. EDWARDS: No, Madam Chair. But for purposes of the record, I would like to clarify something that was addressed. We did enter into a stipulation on three points in this case, but we do not -- the Office of Regulatory Staff does not have an agreement with SCE&G regarding a revenue requirement. And you mentioned -- I believe you said the words that we have an agreement on a rate increase. We have not reached an agreement with South Carolina Electric & Gas on a revenue requirement.
Thank you, Madam Chair. I just wanted that clarified for the record.

WITNESS: And I appreciate that. I think it was the way it was worded actually on the radio as I was coming down today, so I'm sorry that I misstated that.

MS. EDWARDS: No, and if you have any questions or if anybody else has, we would be happy to discuss that issue. Thank you.

WITNESS: Thank you, very much.

CHAIRMAN FLEMING: Okay. Commissioners?

[No response]

CHAIRMAN FLEMING: All right. Thank you. You may sit down.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'll call on Christeen Murphy.

Christeen Murphy, please?

[Witness sworn/affirmed]

THEREUPON came,

CHRISTEEN MURRAY,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: Hi, my name is Christeen Murray, and I live at 222 Cherokee Street, and that's in Aiken, South Carolina, Southeast.
And I was here to address the rate issue, because I have been doing things to my house to keep my light bill down, and the more I do, the more my light bill gets higher. I don't know whether it's because of the size of your house, but when I'm only one person that stay there and I close off the vents in the other rooms that I don't occupy, but yet and still my light bill never go under $300 and $400 a month.

I have medicine to buy, insulin, $93 to get that. It's just ridiculous. And every month, you can't ever say you're going to -- can't say you ain't going to pay your light bill because if you don't pay it, you're going to be in the dark. So, I just came to the meeting. I had my house -- I had windows put in the house this year, insulation put back in, new doors and everything. And my light bill hasn't went down at all. I don't know whether they go by the size of the house, not knowing who stay in it, you know, but I do know that my bill hasn't went down at all, out of all the money that I have spent trying to keep energy low. I don't go up and down on the thermostat. When it goes off at a certain time, it comes on a certain time. I sweat like a dog at night because
I don't cut on the air conditioning till a certain
time, and I just sweat. My bed gets wet when I get
up, from the perspiration. And I'm just running a
fan. I put a fan in there. I keep the air on 79.
And how can you live like that? And they still
going up on the rent -- I mean, on the electric
bill, and we just -- we as poor people just cannot
do it.

And I'm asking you all to have considerment
for us, the ones that don't have the money, the
ones that are living on a short income, the ones
that don't have a job, that you all just have mercy
on us about the rate increase. Anybody got any
questions?

MR. BURGESS: No questions of Ms. Murray.

CHAIRMAN FLEMING: Okay. Ms. Edwards?

MS. EDWARDS: No questions. Thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may be
seated. Thank you.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Jessy Hardy.

Jessy Hardy, please.
[Witness sworn/affirmed]

THEREUPON came,

JESSY HARDY,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Jessy Hardy, and I live on 356 Bethlehem Circle, Graniteville, South Carolina, and I am a --

CHAIRMAN FLEMING: Could you come a little closer to the mike, or could we turn the volume up a little bit?

WITNESS: Is this better?

CHAIRMAN FLEMING: Yes.

WITNESS: I speak softly. I'm sorry. I'm just a resident and I'm taking advantage of my right to be heard, and I appreciate this opportunity.

I'm a full-time student at USC/A, and I'm currently struggling with bills, books, parking fees, everything. And I can't -- we can't do a rate increase in the light bill at this time. I'm struggling now, and I just -- I hate to think what it would be like then. It scares me really bad. I want to be able to pay bills, and I'm trying to actually make it so I can get a house-house, and
it's just -- it's really a bad time right now.

I agree with the previous people who have come up. The economy is -- it's just really unstable at this point in time, and I'm struggling trying to find a job. Right now I'm on benefits, and that is how I pay the bills, and it's just never enough. It's just not. And I just -- I think it's important that I come up here and that I say that. And I represent those people who can't really make it, with the potential increase that will be taking place.

That's all that I really have to say. It would just be very hard. Very hard. That's all I have.

CHAIRMAN FLEMING: Okay. Thank you. Just a minute, and let's see if there are any questions.

MR. BURGESS: No questions of Ms. Hardy.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions. Thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may be seated. Thank you for coming.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Elaine Cooper? Calling Elaine
Cooper?

[Witness sworn/affirmed]

THEREUPON came,

ELAINE COOPER,

who, having been first duly sworn/affirmed, testified as
follows:

WITNESS: Elaine Cooper from Columbia, South Carolina.

Okay, you'll have to excuse the accent, but I've lived here for about 31 years. I'm a State employee, for now. Probably I will be let go next week. So 31 years, I'm about to be an AARP person who is about to retire. So I'm very, very interested, because soon I'll only be living on one salary and will join the multitudes of people in South Carolina my age -- about 56 years old -- that are slashed in their jobs across South Carolina, no matter if you're a State employee or you work for another company or you work for SCE&G.

So, I'd like to talk to you about one concern I have, which is on top of this current request, SCE&G has just informed the South Carolina Public Service Commission that another rate hike request will come soon, this time for the risky nuclear reaction project.
I will now go over some points -- and I can submit this, too, as evidence. The rate hike for the nuclear power plants may go on top of the current rate hike, thus meaning more money out of your pocket. So, number two, you are forced to pay up for a decade in advance for the nuclear reactor project that might not be finished for a decade or more. This project could cost from $12 to $20 billion -- $12 to $20 billion -- for SCE&G and Santee Cooper customers.

SCE&G has already proposed a series of annual rate hikes over the next decade to pay in advance for the reactors, but can go back to the PSC, Public Service Commission, at any time for a nuclear rate increase.

There is no long-term plan to deal with the deadly radioactive spent fuel which would come from the reactors and would likely stay in South Carolina for decades. As you know, Yucca Mountain is not taking our nuclear waste, and it's piling up here. More importantly, the nuclear reactor design chosen by SCE&G, the Westinghouse AP1000, does not have a license from the Nuclear Regulatory Commission.

So anyway, I'm standing here, I had to put my
jacket on as I walked in, which I notice all of you are sitting here comfortably, while we listen to people here tonight who are talking to you about sweating. Right now we cannot even take a simple step in conserving energy. It's easy to sit there feeling quite cool with your jackets on and then we have to crank up the temperature because you're wearing your jackets. Just consider all of the unemployed folks and soon-to-be unemployed people in South Carolina, with the rising number, that are paying for these nuclear power plants. They may not even be alive to even benefit from when they will be paid, perhaps 10 years or 20 years or more from now.

Thank you. Do you have any questions?

CHAIRMAN FLEMING: Do you have any questions?

MR. BURGESS: We have no questions for Ms. Cooper.

CHAIRMAN FLEMING: Okay. Ms. Edwards?

MS. EDWARDS: No, ma'am.

WITNESS: Okay. Can I submit this?

CHAIRMAN FLEMING: Yes.

WITNESS: Thank you.

CHAIRMAN FLEMING: We need to show it to the parties.
[Document distributed to parties]

CHAIRMAN FLEMING: Ms. Cooper, could we get your address please?

WITNESS: Okay. It's 3105 Dalloz. D-a-l-l-o-z Road, Columbia, South Carolina 29204. Thanks.

CHAIRMAN FLEMING: Just a minute.

WITNESS: I wrote it in the form, too.

CHAIRMAN FLEMING: Okay. Right.

Commissioners, do you have any questions?

[No response]

CHAIRMAN FLEMING: All right. We're entering this into the evidence of the case. This information is Hearing Exhibit No. 12.

[WHEREUPON, Hearing Exhibit No. 12 was marked and received in evidence.]

MR. BUTLER: I'd like to call Jermel Daniels.

Jermel Daniels, please.

[Witness sworn/affirmed]

THEREUPON came,

J E R M E L   D A N I E L S ,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Jermel Daniels. My address is 124 Keisha Avenue, Saluda, South Carolina.
The only thing I would like to say is I think it's ridiculous for my light bill to be higher than my rent. I stay in a two-bedroom trailer in a trailer park alone, by myself, and I pay $400 a month. I've been staying there ever since the middle of January, and ever since I have been staying there I've been paying like $420, $430 once a month for my light bill, and I'm the only one that stay there in a two-bedroom trailer. I think it's just ridiculous for them to overcharge me when I'm paying a light bill more than you pay to live. That's all I would like to say.

CHAIRMAN FLEMING: All right. Mr. Burgess?
MR. BURGESS: No questions, Madam Chairman.
CHAIRMAN FLEMING: All right. Ms. Edwards?
MS. EDWARDS: No questions.
CHAIRMAN FLEMING: Commissioners?
[No response]
CHAIRMAN FLEMING: No questions. You may sit down.
[WHEREUPON, the witness was excused.]
MR. BUTLER: I'd like to call Wade Fulmer.
Wade Fulmer, please?
[Witness sworn/affirmed]
THEREUPON came,

WADE FULMER,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Wade Fulmer. I live in Columbia, and I have a home in Graniteville.

I grew up here and I'm familiar with the people who have lost so many jobs already because the textile industry lost the textiles after the chemical spill just a few years ago, and we've got the economic situation that we have now.

And recently The State had an article in the newspaper. It talked about how South Carolina has never made the elderly a priority as far as taking care of them, and them having what they need as far as health care. In this case, as far as what they need to pay bills for hikes that are not needed, hikes that are solely for profits, hikes that are solely for chief executives -- what, millions of dollars each year go to the chief executives? How much does Lindsey Graham get? You can't answer that question. Well, a lot, because that's your favorite congressman, senator, as I understand it.

But, so given the state of the economy, the elderly and the people that have spoken who need
medicines, and we're talking about advancing money to a company to develop two more nuclear plants on top of the rate hike that we're talking about today. I don't understand that. I understand -- I'm sure it's very difficult sitting on a commission trying to make the right decisions. I've worked for the Department of Mental Health and DHEC, and I've sat in such hearings as we're having today, and I've been one of those people over here or over here [indicating] who have been told what to do.

If you can't come into a hearing, can't get answers to questions, but you can go out in the hall and you can ask a question and hopefully get an answer, why is that? Because you don't want everybody to hear the answer that's not really an answer. It's another excuse for higher rates, for ignoring people in an economy like this. I have to say that I have no confidence in the process. Whatever your conscience allows you to do in your positions because you were told to do that is totally different than caring about the people you're supposed to be serving.

Now, the commissions that I have witnessed before unfortunately tended to go along with
whatever the State agency, or in this case the monopoly power broker, is. You have that pressure on you, I'm convinced, to do that. So you make the right decision and you go with the people, and you don't allow this investment increasing profits, a company looking out for their investors instead of their consumers.

In the agencies that I've worked for, I've asked the question many times, I've said, "Well, why aren't we -- who is our customer?" And too often the answer has been, from the executives, "Our customer is the middleman." It's not the end user who is suffering because they can't pay for their medication or can't pay their electric bills and can't stay cool at night. It's not the ultimate customer that's lost their job or their families have lost their employment. It's not the ultimate customer whose jobs have gone abroad, not just because of national policies, but because State representatives have not accurately represented us in those ways to keep the jobs at home.

So, I bring it down to a matter of conscience, knowing that you're always going to be asking for another rate increase; and in a time like this,
again, with the economy, you're asking to pay bills
for something that hasn't even been approved,
you're asking to go up 9.5 percent.

The last thing I'll say is it reminds me of
what happened in California about a month ago when
the insurance companies said that they were going
to go up 39 percent on health insurance policies.
Well, the public rose up. And the public needs to
rise up now. There are so many things in this
State -- I was born here, but I am yet ashamed of
this State in the way they treat their citizens.

VOICE: Amen.

WITNESS: But in California, just last week,
"Oh, we made an accounting error. We're not going
to need to go up 39 percent, not even close to
that." It was because the people spoke up.

And I ask you to listen to the people for a
change. Not that you've gone along with exactly
what they wanted every time, but for a change. In
this economy, for the health, both mental and
physical of these people who are going to have to
pay this increase in rates, go to your conscience,
go to your spirit, look for those opportunities
that we have to invest in other sources of energy
and not just continue the profiteering. Thank you,
very much.

CHAIRMAN FLEMING: Thank you. Are there any questions?

[Applause]

CHAIRMAN FLEMING: Please, I know you feel very strongly about this, but please just refrain from clapping and cheering. Ms. Edwards?

MS. EDWARDS: No questions. Thank you.

CHAIRMAN FLEMING: All right. Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may sit down. Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Dwight Smith. Dwight Smith, please?

[Witness sworn/affirmed]

THEREUPON came, D W I G H T   S M I T H , who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Dwight Smith. I live at 262 Hillman Street, in Gloverville, South Carolina -- I'm sorry, the address is Warreenville, but we call it Gloverville.

First of all, I'd like to thank you for the
opportunity to speak to you. Second of all, I'd like to thank Representative Smith for being here to speak earlier for the folks in our area. I am disappointed that this room is not full of people. For the past two weeks I've been encouraging people to come and speak, say, show solidarity towards what our needs are.

I have a question, and I know we're not supposed to ask, but I've had this asked of me several times in my conversations with people. How is the Public Service Commission selected? Is that off the record to answer that? I could not answer it, and I apologize for asking this. Could you answer that?

MS. EDWARDS: Madam Chair, I'd be happy to respond here, at this time, or if you would prefer I can certainly speak to this gentleman later, at your discretion.

CHAIRMAN FLEMING: Let's -- if you could ask them after the hearing.

WITNESS: Okay.

[Laughter]

WITNESS: Well, if you're elected, that's one thing. If you're appointed, that's another. And if you're appointed, I challenge each and every one
of you in here to speak to your local legislative representatives and ask them why they are not here. They should be here representing us who are struggling out here. I too will be unemployed the 1st of June. My job is out, as well. But that's okay. I can handle it. I can handle the increase. But where I live, people are living in homes that were built in the '40s, the '50s. They have no insulation in them, they have windowpanes or windows that are not the new, modern, energy efficient and so forth. I have friends who literally hang blankets up on their doorways in the winter to keep the heat in a certain area of their home, and the same in the summer during the hot months. They pray for these moderate temperature months that we do have.

Number two, next on my list, SCE&G, I read recently has the highest kilowatt cost in South Carolina. Why? Why is there no competition? Why is their stockholders so much more important than Duke Power or some of the other utilities here? Why is this so high that they have to be?

I recently read in the paper that this increase was needed to do new transmission lines, trim limbs, run new gas, and to increase
stockholder dividends. You know, I've got a little money invested and I do want to see my money grow and I'm sure the stockholders of SCE&G does as well, but there's a point to where you've got to look at whom you're serving and what's going on. And these people need some help. The majority of the elderly in our area, in the Valley area, need help. They don't need this increase.

As I go back to what I said earlier, for the past two weeks I really have been trying to get friends to come and folk I know that are not outspoken. They really struggle every month, and I hear stories -- in fact, this morning at our little breakfast group we were talking and they said, "You know, I pay more for my power bill than I do for my house payment." And that is -- that's kind of skewed. And some of these homes, we're not talking about rich people; we're talking about menial people trying to live on retirement checks. I have an elderly friend that comes, and I take him to breakfast a couple times a month, and he has melanoma in his leg. He's had a lot of medication -- or, medical work on his leg, but the one thing he was telling me the other day, he said "Dwight," he said, "medication the doctor give me costs me
$100 a month to have it filled." He said "I can't do it." He said, "If I do, I can't pay my power bill. If I pay my power bill and the medicine, I can't buy food."

VOICE: That's right.

WITNESS: That's the reality of the people that we're serving here. I really want to end this by saying, the people in Horse Creek Valley, a lot of them, especially on the Graniteville end, are not here tonight, because they have no confidence in you. And I don't mean that as an attack; I mean that as the truth. Show, do, act.

As far as power, I am a proponent of nuclear power. I think that is the way of the future. France has been doing it for years and years. I'm a little familiar with it, and I know that it can be done, and it can be run and if it's run correctly, it is safe. Now, there are some issues, as the lady said, about the waste problem.

But make the right decision. You've got a tough one. You've got a tough one. You've been all over the State. People have talked to you. People have said things to you. You've heard everything.

I appreciate your patience, and I appreciate
the opportunity for me to speak to you. But make
the decision based on who you are supposed to be
representing, not SCE&G. And I am not against
SCE&G; I just am against this large of an increase.
Thank you.

CHAIRMAN FLEMING: Thank you. Mr. Burgess?

MR. BURGESS: No questions, Madam Chairman.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions.

CHAIRMAN FLEMING: Commissioners? Just a
minute.

WITNESS: I'm sorry.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may be
seated.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Madam Chairman, Mr. Smith was the
last one on our list, but I think we promised Mr.
Stephen Donohue another opportunity if he wanted to
be heard any further. Mr. Donohue?

THEREUPON came,

STEPHEN P. DONOHUE,

who, having been previously duly sworn/affirmed, testified as
WITNESS: Well, thank you for bending the rules a little bit, especially Commissioner Wright for doing that. I appreciate that.

I did go outside, and surprisingly, SCE&G didn't have a rate chart, which I find a little odd. But, they were -- I did ask them what would 500 kilowatts cost, and I made a back-of-an-envelope kind of calculation, and they came up with $63. So, let's assume that's the answer. I'd like to submit into evidence as next in order a chart I just pulled off the Internet, the Public Utility Commission of Texas publishes it. They have the US average and they have Louisiana, Minnesota, Colorado. Their 500 kilowatt average in the United States -- this is as of March 2010, so I think that's pretty accurate -- is $54. So that's about, what, 10, 15 percent less than what we have now, and we're here discussing a rate increase. So, if I could offer that next in order. Who do you want me to hand it to, Madam Chairman?

CHAIRMAN FLEMING: To Mr. Richardson.

[Document distributed to parties]

WITNESS: And last --

CHAIRMAN FLEMING: Okay, go ahead.
WITNESS: Yes, ma'am?

CHAIRMAN FLEMING: I'll ask you later.

WITNESS: I had one other document I'd like to admit as an exhibit, next in order, and it's a policy paper, The Case for Competitive Procurement in States with Vertically-Integrated Utilities, and basically -- and it's just only four pages, not long. I hope you'll take a chance to read it. Basically, the argument of this is -- and they may have an ax to grind, I'm not sure. It's published by the Electric Power Supply Association, and their argument is that public utilities commissions -- that when you have vertically integrated utilities, you ought to force them to competitively bid their source of power, whether they're getting natural gas or juice from another part of the grid, before they go in and build a new power plant and make the ratepayers pay for it. I'd like to admit that as the next in order.

CHAIRMAN FLEMING: All right. Mr. Richardson?

[Document distributed to parties]

WITNESS: And lastly, I know it's a cliché now, thinking out of the box. But, I really think the Commission should consider a subsistence rate for ratepayers. I even think you could be heroes.
Roll back the rate a little bit, roll it back 10 percent. Maybe you could base it on people who file South Carolina income tax; if they're below a certain income level, their rate is -- and base it on a standard size, it could be a mobile home, instead of, you know, the subsistence rate is $100, and make up the rest of it on people who are using more electricity, pull that rate up. It's kind of like they did with the Part E of Medicare, where they have a doughnut and they just have some other -- they have some other public rates that are set to allow for subsistence.

I do want this company to succeed. I don't want them to go bankrupt. I do want a fair rate of return. I know there are a lot of hard luck stories out there, but I urge this Commission to think outside the normal rate increases and think about a subsistence rate and some way that people could qualify for it. And I thank you for your time, and thank you for letting me come back.

CHAIRMAN FLEMING: Thank you.

WITNESS: Okay.

CHAIRMAN FLEMING: And let's see if there are any questions. Any questions?

MR. BURGESS: No questions, Madam Chair.
CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions.

EXAMINATION

BY CHAIRMAN FLEMING:

Q I just wanted to ask you for clarification.

A Yes, ma'am.

Q You said that the information you're putting into the record said that for 500 kilowatts, is that correct, it's $54 --

A Yes, ma'am. For 500 kilowatts, the US average is $54.65.

Q Okay.


Q And what was the figure that you gave for SCE&G?

A They told me $63 outside. Again, it was back-of-an-envelope because no one had a chart.

Q Okay.

A I would think the company would -- you know, I want you guys to succeed, and I know you can't answer questions at that table. But out back there, they could answer that kind of question, you'd think. But you know what? Shame on me, too, because I should've done my research before I got here. I should've looked it up on the Internet. I didn't. I thought I could get it. So, shame on me as well; I'm not excusing myself either.
CHAIRMAN FLEMING: Okay. After the hearing, they are available for questions, though. They'll both be available.

WITNESS: Okay. Thank you, ma'am. I appreciate it.

CHAIRMAN FLEMING: All right. And we will enter this information into the evidence of the case as Hearing Exhibit No. 13.

[WHEREUPON, Hearing Exhibit No. 13 was marked and received in evidence.]

[WHEREUPON, the witness was excused.]

MR. BUTLER: That completes everyone on the list.

CHAIRMAN FLEMING: You want to see if there's anyone else?

MR. BUTLER: Okay. Madam Chairman, as I said, that was everyone on the list. We might ask at this time, is there anyone else in the audience who wishes to be heard at this time? You want to come forward please?

[Witness sworn/affirmed]

THEREUPON came, SUSAN CHRISTY, who, having been first duly sworn/affirmed, testified as follows:
WITNESS: My name is Susan Christy. I live at 7 Running Ridge Drive, Trenton, South Carolina.

The first thing that I'd like to say is, I don't pay bills, I don't even have a job, but I live with my parents. My mom is a diabetic. She needs her medicine. She needs lances and everything else that diabetics need. My dad might have cancer.

The economy is really bad. I agree with everyone that has said something here. We don't need the rate increase at all. It's a bad time right now in America, in the State of South Carolina. It's just a really, really bad time.

Any questions?

CHAIRMAN FLEMING: Mr. Burgess?

MR. BURGESS: No questions, Madam Chair.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions. Thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may be seated. Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Does anyone else wish to be heard at this time? You want to come forward, please,
ma'am?

[Witness sworn/affirmed]

THEREUPON came,

OLGA BUTLER,

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: Good evening. My name is Olga Butler. I stay at 2 Hope Lane, in Edgefield, South Carolina.

I just thank you for an opportunity to come before you and speak on behalf of all the single mothers. I'm a single mother of two. I'm on disability, and I really -- if it wasn't for the grace of God, I don't know how I would've made it this far with paying bills as a single parent. I really wish you would consider those that are bearing the burden of raising kids and trying to hold down a household, with this rate increase. And I just feel that it's very unnecessary.

Because if I could work, I would, to try to keep up with the economy and all this, but I can't. And I just wish you would consider me, as a single parent. Any questions?

MR. BURGESS: No questions, Madam Chair.

CHAIRMAN FLEMING: Thank you. Ms. Edwards?
MS. EDWARDS: No questions.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: You may sit down. Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Madam Chairman, I thought I saw one more hand in the back. Two hands, okay. You first, please?

[Witness sworn/affirmed]

THEREUPON came, JEFFREY K. LEE, who, having been first duly sworn/affirmed, testified as follows:

WITNESS: Jeffrey K. Lee -- Jeffrey K. Lee, 1223 York Street, Northeast, Apartment 6-A, Aiken, South Carolina.

MR. BUTLER: One more time on the address.

WITNESS: All right, that's --

CHAIRMAN FLEMING: I think if you'll stand just a little bit away from --

WITNESS: How's this?

CHAIRMAN FLEMING: That's --

WITNESS: Oh, perfect. No, these are always -- technology, it is what it is, as the cliché
goes. How's this, Chairman?

CHAIRMAN FLEMING: It's great.

WITNESS: All right. My name is Jeffrey Lee, 1223 York Street, Northeast, Apartment 6-A.

MR. BUTLER: Which city?

WITNESS: Aiken. Okay. Well, I've been to other public service commissions before, not necessarily this type of issue. And I appreciate, once again, the ability for about four minutes now to let me speak. And a lot of times what I've noticed is, as well-meaning as everybody is both on the Commission, the company, and the public, things get lost in a lot of stories, things get lost in a lot of dialogue, and they all have a purpose.

And so I just wanted to basically vote my request for the proposed rate increase, but before I get to that, I do want to mention a couple of overall things. We've heard stories about, you know, the facts and figures. We've heard stories about the suffering people here in this auditorium. And if you want to extrapolate that on a larger scale, probably most of South Carolina, whether they be retired, whether it be a college student, or just a single mother with three to five kids -- maybe less, who knows -- but the point is,
everybody has their stories, and everybody has their personal sufferings, and the vast majority is -- I think I can speak for most of this room -- is we are saying no -- that's right, no -- to a rate increase.

I'm not saying SCE&G is a bad guy. I'm sure they, with all, you know, dutifulness to their stockholders in the boardroom meetings, feel, "Okay, well, we have these two power plants coming up, so what can we do?" Well, then the answer is, "Well, let's see if we can try to get another rate increase." And, you know, that's business as usual. But what I would like to stress -- and please, please take this to heart -- is, you know, when you hear all these stories about people suffering -- like I say, I'm a college graduate. I went to USC/Aiken. I had a good job. I've had several jobs. Now, I don't mind saying, my average light bill, per se, which I'm not currently in debt to SCE&G about, I have gone through whole, you know, paying them as a customer should. I have been a great, you know, customer to them. My current bill, depending on my energy usage, is between $60 and $80. I try very hard just to do what I can, and surprise; it's $60, but I know that
can't last forever. And that's not me using my central heat in my apartment, not me using the central air conditioning in my apartment, and then turn off all lights, making sure all the amenities are, you know, decent living. I'm not wealthy by any means, but what I am is I know what a good customer is about. And what the point of that is, how they can say, okay, here's somebody like me who is not with disabilities, who is not on a fixed income. I have a job. My apartment rent is currently $535. That's priority. Of course, you have to have the electric bill, of course you have to have a water bill if that's applicable. But why not put things as a context, and I've worked very hard to get where I am at today, and I think most people in South Carolina don't want to think, "Oh, we're like dogs of the government," so -- I'm not trying to point at any sort of error or future scenarios, I'm just saying that in my particular place, you know, the business as usual or the oh-well attitude, you know, some people can take that oh-well attitude and say, "Well, we have people's stories who are suffering but yet, the end justifies the means." That doesn't always work. The oh-well attitude is not what's called for.
As one of our previous speakers said before, this is a time where you guys can truly exert your conscience. I pray that you will take all the available facts and figures and look at the decision and rule, not just whether or not it increases or not -- I pray that it doesn't -- I'm saying this is your time to truly shine and to actually do your conscience, whatever that may be, for or against the rate increase, but not just give in to a business-as-usual approach. That is all. And I say no.

CHAIRMAN FLEMING: All right. Just a minute.

WITNESS: Any questions?

MR. BURGESS: Madam Chairman, we have no questions.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions. Thank you.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may be seated.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Would you come forward, please ma'am?
THEREUPON came, 

COURTNEY BELL, 

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Courtney Bell. I live at 1845 Hidden Hills Drive, North Augusta, South Carolina 29841.

I've been a homeowner now for about two years. Finished college this past year; I'm a special education teacher at Curtis Baptist High School. I only make probably about $24,000 a year. I do not have health insurance. I do everything I can to cut down my power bill. What it was this -- let me find the numbers -- it's usually about $223 to -- and then I completely turned off heat and air this past month to see what would happen, and I got around $113, completely cold or completely hot, for my power and my gas together. And that was -- those numbers that they were looking at before -- 546 kilowatts was about an $8 facilities charge, $60.42 for the kilowatts, and $3.42 for the franchise fee. So, $71.84 for my actual power bill.

The only thing I have in my house would be the
lights, a TV, and a refrigerator. Everything is off from about 6 in the morning until 4 or 5 o'clock in the afternoon when I get home from work with my husband, and that's what we would pay just for those hours after we work, for just lights and the refrigerator basically, and a TV -- not cable, just watching movies and things. We don't pay for cable. We don't pay for Internet.

So, right now at this time, that average beforehand probably was maybe using my air conditioner sometimes, and that would just be on a really hot day, $200 a month would be about 10 percent of my income and then on top of that I'm giving 10 percent to the government for my taxes, and they want to completely increase health insurance on taxes, and then they also want to make us pay for health insurance policies coming up that won't even be put into place for the next four years. But, everything is increasing. By the time I'm done, I'm going to -- you know, 30 to 50 percent of my income, I don't get to spend it on food or basic things that we might need. No health insurance, nothing like that to take care of ourselves.

So, you know, everything is specifically on
the grace of God at this moment. So every night is, you know, prayer time. So I would like to say overall I'm kind of concerned about the country at the moment. I know that growing up and looking in the bookstores -- my husband works for Barnes & Noble -- the most popular game right now is Monopoly in all kinds of formats. Kids grow up playing that game. And it's fun as a board game, but it's not fun when you become a citizen and you grow up and you realize people are doing that to you, and you're the person who is taking out the second mortgage and flipping over the card, and things aren't working out, and you know you're going to lose. You're not the person who has all the money, you know, going around the board with all the property.

So, at this moment, I would say if this is just something that's being done because somebody wants to make more profit increase, because they want to buy -- they want to pay off that boat that they bought last year, then I definitely do not agree with it, because I can't afford it. And I'm just trying to pay for food and, eventually, health insurance and keep a house and maybe have kids if I can afford to do that and not put them in a bad
situation.

So, overall, this whole thing is a great opportunity. One of my biggest heroes would be Atticus Finch from *To Kill a Mockingbird*, as a lawyer, and, you know, this may not do anything but at least I want to say, you know, at least I tried and can live with myself. So, thank you for letting us talk and for hearing me.

CHAIRMAN FLEMING: Thank you, Ms. Bell. You have those bills, did you say?

WITNESS: I have this most recent bill.

CHAIRMAN FLEMING: But not the one before?

WITNESS: Not the actual bill, just the numbers at the top that say what I paid for the last two months.

CHAIRMAN FLEMING: Oh, okay. If you would like to enter that into the evidence of the case, you can talk to Ms. Wheat after the hearing.

WITNESS: Okay.

CHAIRMAN FLEMING: And we -- would you like to do that?

WITNESS: Yes, that would be fine.

CHAIRMAN FLEMING: That will be entered into the evidence of the case as Hearing Exhibit No. 14.

WITNESS: Okay.
CHAIRMAN FLEMING: All right. Mr. Burgess, do you have any questions?

MR. BURGESS: No, ma'am. No questions.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions.

CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. Thank you. You may be seated.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Okay. Anyone else want to be heard?

VOICE: Yes.

MR. BUTLER: You want to come forward, please?

[Witness sworn/affirmed]

THEREUPON came, 

ANN BELL, 

who, having been first duly sworn/affirmed, testified as follows:

WITNESS: My name is Ann Bell, and I live at 234-B Cherokee Street in Aiken, South Carolina.

MR. BUTLER: What was your first name again?

WITNESS: Ann Bell.

MR. BUTLER: Ann Bell.
WITNESS: Yes.

MR. BUTLER: Thank you.

WITNESS: Yes. And I have a question. On yesterday, they came to cut my lights off, but I had paid it on Tuesday. So, my nephew was at his house, so he called me on his cell phone and told me, said they're going to cut my lights off. So, I got a little upset. I said, "Well, I paid my bill on Tuesday," and they was going to cut my lights off on yesterday. So I said, "Well, I paid it," so, I called Columbia, and I got it straightened out.

And then another question I want to ask. Why is it if -- you pay your light bill and then they'll tell you, said, "Well, you got a certain time to pay this bill," and if you don't pay it in full then they'll cut your lights off and charge you an extra $150. What is the extra $150 for? SCE&G charge you that.

CHAIRMAN FLEMING: You can ask them that question after the hearing.

WITNESS: Okay. Well, I just wanted to know. And another thing I need to ask -- okay. I don't cook at home. I eat at my daughter's house. I dare not cook at home because they charge me $59,
and I don't even cook at home. So if I cook at home, I'm in trouble. That gas bill going to go up, and I can't afford it. And I'm self-employed. And it's hard out there when you're trying to scuffle and get a little work in here and yonder. And, you know, I get so upset, so, with the air conditioning, I better not use the air conditioning. I better hike some windows, because I'm in trouble. They're going to cut you off.

And today, we're here asking questions. Is it anything going to be done about this, or are we just asking out of the air? Is they going to do anything about it?

VOICE: They can't answer.

CHAIRMAN FLEMING: If you can direct that question to Ms. Edwards after the meeting, that would be helpful.

WITNESS: Okay. Okay. Well --

CHAIRMAN FLEMING: Do you have anything else to say?

WITNESS: No. All I can say, we're just left in the hands of God, and by his grace I know he's going to make it. So, I would hope today you all would do something -- SCE&G -- about this high light bill, because the rates just going out the
CHAIRMAN FLEMING: Okay. Just a minute.

WITNESS: Okay.

CHAIRMAN FLEMING: Do you have any questions, Mr. Burgess?

MR. BURGESS: No, ma'am. No questions.

CHAIRMAN FLEMING: Ms. Edwards?

WITNESS: They never have any questions, SCE&G.

CHAIRMAN FLEMING: Well, just a minute. Ms. Edwards?

MS. EDWARDS: Ma'am, I don't have a specific question for you, but I would like for you to talk to Mr. Chad Campbell outside, if you have the time.

WITNESS: Okay. I hope they do something.

CHAIRMAN FLEMING: Just a minute, ma'am.

WITNESS: Okay.

CHAIRMAN FLEMING: Commissioners, do you have questions?

[No response]

EXAMINATION

BY CHAIRMAN FLEMING:

Q I have a question --

A Okay.

Q -- for clarification. You paid your bill on Tuesday --
A Yes.
Q -- on time?
A Yeah, I paid it on time.
Q And they were, the next day, which would have been --
A The guy came to cut my lights off, and I got upset about it. So, then I called Columbia and I asked them to please not cut my lights off. I paid the bill, and I had the receipt.
Q Had they notified you ahead of time that they were going to cut your lights off?
A No.

CHAIRMAN FLEMING: All right. Thank you.

WITNESS: Thank you.

WHEREUPON, the witness was excused.

MR. BUTLER: Okay. Anyone else wish to be heard? Yes, sir.

[Witness sworn/affirmed]

THEREUPON came, PHILIP C O P E L A N D , who, having been first duly sworn/affirmed, testified as follows:

WITNESS: Well, just to start off --

MR. BUTLER: Can we get your name and address, please, sir?

WITNESS: Philip Copeland. I live at 408
Columbia Road, Edgefield, South Carolina.

To start off, I'm going to talk about what happened with my job. I work with an ambulance company. We lost our sick pay at the beginning of this year. And I have to work; for the last three days I have been sick going to work, dealing with sick people, and I'm actually going to have to call in tomorrow. I pay all my bills. I had to talk my wife into letting me come here.

And I just find it amazing that they need a rate increase. Just like my company, they told me they need to cut out sick pay. And the owners went to Greece for a month.

I don't know what they do with all the money that they get. I pay my bill on time. I pay $10.50 for not using my gas, because I need it in the wintertime. I have to pay it every single month. That's a basic facilities charge. And, I'm just trying to find some way to save money. I just find it outrageous that they want to raise the rate. Any questions?

MR. BURGESS: Madam Chairman, we have no questions.

CHAIRMAN FLEMING: All right. Ms. Edwards?

MS. EDWARDS: No questions.
CHAIRMAN FLEMING: Commissioners?

[No response]

CHAIRMAN FLEMING: All right. You may sit down. Thank you.

[WHEREUPON, the witness was excused.]

MR. BUTLER: Anyone else wish to be heard at this time?

VOICE: I know I've already gone. I just have -- I know y'all can't answer questions, but I'd like to know who or what party I should address if I'm interested in becoming an intervenor.

MR. BUTLER: I believe Ms. Edwards can help you with that issue. Thank you, very much. I see no one else, Madam Chairman.

CHAIRMAN FLEMING: All right. Well, I want to thank all of you for being here tonight, and for those of you who spoke, we really appreciate that. You have been a very civil group tonight, and I can tell you as those of us who are sitting up here, we certainly appreciate your polite way of presenting the issues that you wanted to bring before us. And we certainly hope that if you can attend the hearing in Columbia, a lot of your questions could be answered during that hearing. I mean, you will hear a lot of this information that you had
questions about tonight.

We appreciate your being here, and this

hearing is now adjourned.

[WHEREUPON, at 8:05 p.m., the hearing in
the above-entitled matter was adjourned,
to reconvene on Monday, May 24, 2010, at
10:30 a.m., in Columbia, South Carolina.]

[WHEREUPON, Hearing Exhibit No. 14 was
marked and received in evidence.]}

[WHEREUPON, Hearing Exhibit No. 11 shall
be marked and received in evidence upon
receipt of same.]
CERTIFICATE

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had and testimony adduced in an evening public hearing held in the above-captioned matter before the Public Service Commission of South Carolina;

IN WITNESS WHEREOF, I have hereunto set my hand on this the 18th day of May, 2010.

Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:

Jocelyn G. Boyd

INTERIM CHIEF CLERK/ADMINISTRATOR

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA