BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

[Columbia, South Carolina]

HEARING #16-11554 OCTOBER 4, 2016 6:00 P.M.

DOCKET NO. 2016-223-E:
SOUTH CAROLINA ELECTRIC & GAS COMPANY – Petition of South Carolina Electric & Gas Company for Updates and Revisions to Schedules Related to the Construction of a Nuclear Base Load Generation Facility at Jenkinsville, South Carolina

TRANSCRIPT OF TESTIMONY AND PROCEEDINGS VOLUME 2 OF 4 [PUBLIC NIGHT HEARING]

HEARING BEFORE: Swain E. WHITFIELD, CHAIRMAN; Comer H. ‘Randy’ RANDALL, VICE CHAIRMAN; and COMMISSIONERS John E. ‘Butch’ HOWARD, Elliott F. ELAM, Jr., Elizabeth B. ‘Lib’ FLEMING, Nikiya M. ‘Nikki’ HALL, and G. O’Neal HAMILTON

ADVISOR TO COMMISSION: F. David Butler, Esq.
Senior Counsel

STAFF: James Spearman, Ph.D., Executive Assistant to Commissioners; Philip Riley and Doug Pratt, Advisory Staff; Jo Elizabeth M. Wheat, CVR-CM/M-GNSC, Court Reporter; and William O. Richardson, Deborah Easterling, Hope Adams, and Calvin Woods, Hearing Room Assistants

APPEARANCES:

K. CHAD BURGESS, ESQUIRE, MATTHEW W. GISSENDANNER, ESQUIRE, MITCHELL W. WILLOUGHBY, ESQUIRE, and BELTON T. ZEIGLER, ESQUIRE, representing SOUTH CAROLINA ELECTRIC & GAS COMPANY, PETITIONER

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SANDRA WRIGHT, appearing pro se, INTERVENOR

JEFFREY M. NELSON, ESQUIRE, and SHANNON BOWYER HUDSON, ESQUIRE, representing the SOUTH CAROLINA OFFICE OF REGULATORY STAFF
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CHAIRMAN WHITFIELD: Please be seated. I'll call this public hearing to order and I'll call on our attorney, Mr. Butler, to give us some special instructions about tonight's public hearing in this case.

Mr. Butler?

MR. BUTLER: Yes, sir. Thank you, Mr. Chairman and other members of the Commission. I appreciate everybody being here tonight. Good evening to you, and welcome also from the Commission staff. I'm David Butler, and I'm a lawyer with the Commission. This proceeding before the Commission is in Docket No. 2016-223-E; it concerns the proposed updates and revisions to the schedules related to the additions to V.C. Summer Nuclear Plant, filed with the Commission by South Carolina Electric & Gas Company.

First, I would ask that you please mute or cut off your cell phones, if you don't mind. We would appreciate it.

At this time, we'd like to go ahead and take appearances of any attorneys who are with us tonight, and I do see Mr. Burgess and some other folks with South Carolina Electric & Gas. So, Mr.
Burgess, if you would, please, sir?

**MR. BURGESS:** Good evening, Chairman Whitfield, Vice Chairman Randall, members of the Commission. I'm Chad Burgess; with me is Matthew Gissendanner, and also Mitchell Willoughby and Belton Ziegler. Together, we represent SCE&G in this proceeding.

**MR. BUTLER:** Thank you, very much, Mr. Burgess. And from the Office of Regulatory Staff, I do see a couple of representatives. Ms. Hudson, if you wouldn't mind, or Mr. Nelson?

**MS. HUDSON:** Good evening, Mr. Chairman, Vice Chairman, members of the Commission. My name is Shannon Bowyer Hudson. With me is Jeff Nelson. Together, we represent the South Carolina Office of Regulatory Staff.

**MR. BUTLER:** Okay. Thank you. And I do see representatives of the Intervenors with us tonight. If you all wouldn't mind, would you mind standing up and just identify yourselves and who you're affiliated with, for our record and for the public?

**MS. THOMPSON:** Yes. Good evening, Mr. Chairman and members of the Commission. I'm Gudrun Thompson, representing the South Carolina Coastal
Conservation League. My co-counsel, Blan Holman, had to run back to Charleston to attend to some family matters.

**MR. BUTLER:** Understood.

**MR. GUILD:** Mr. Chairman, members of the Commission, Robert Guild, of Columbia, for the Sierra Club.

**MS. WRIGHT:** Mr. Chairman and members of the Commission, I'm Sandra Wright, and I'm here representing myself.

**MR. BUTLER:** Thank you, Ms. Wright. Appreciate that.

In just a minute, we are going to call the names of those who have signed up to speak tonight, and when we do call your name, we would ask that you come forward, please, to this table right in front of us with the three microphones. You can sit in any one of those chairs that you like with a microphone, and be sworn in by our court reporter. And when you are called, come on up to the stand, and we would like to hear your name and address for our record, and then you can go ahead with your testimony. Please do speak into that microphone. And what you're going to have to do is push a button on the base of that, and you'll get a little
red thing glowing on the side of it so that you'll
know that it's on, but that's really the only way
that we can all hear you for your testimony. And
so we would appreciate it if you cut on that
microphone. So once you go ahead through your
testimony, please remain at the table for any
questions that the parties or the Commissioners
might have for you. The Commissioners may have
some clarifying questions for you, in your
testimony.

We have placed a time limit of three minutes
on all presentations, and as you can see, we do
have a timer, which will aid you in timing your
testimony. And we will have a little alarm at the
end of the three-minute period.

Now I will say this. If you are with us
tonight and you have not signed up to testify, and
you decide somewhere in the middle of this
proceeding that you'd like to be heard after all,
please proceed to the back door and sign in with
the Commission staff. And there are several
members back there. And a staff member will notify
us of your wish to testify. The Commission won't
be able to hear from you unless you've signed up to
speak.
So I want to remind everybody that this is your time to testify, with regard to the SCE&G proposed revisions to schedules and additions to the V.C. Summer Plant, but due to the judicial nature of this proceeding, the Commissioners cannot take questions from you, and they are prevented from making comments. And I will say, if you've got questions after you've heard some of the testimony, we do have representatives of the company, as you see; we've got representatives of the Office of Regulatory Staff; and we have intervenor representatives over here, who will be glad to talk with you and try to answer any questions that you might have. The Commission can't answer questions because, again, it's a judicial proceeding and the Commission is under the Code of Judicial Conduct, so the Commission is like a judge in court.

So now I've filled you in on all the details, I'm going to go ahead and call the names of the witnesses who signed up to speak tonight. And, Mr. Chairman, with your permission, I will call that first witness.

CHAIRMAN WHITFIELD: Yes, sir, Mr. Butler.

MR. BUTLER: Okay. I would like to call Liz
Norris, please. Ms. Norris, if you will come forward, please?

[Witness affirmed]

THEREUPON came,

LIZ NORRIS,

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

WITNESS: I'm Liz Norris. My address is 201 Rosebank Drive, Columbia, 29209.

Good evening, Commissioners. Thank you for the opportunity to present comments regarding the latest SCE&G request. As I say, I am Liz Norris and I am the volunteer state president of AARP for South Carolina, a membership organization with a social mission, but also we're here to enhance the quality of life for all ages.

We have over 615,000 members in South Carolina. You recently received a letter from our state director, Teresa Arnold. Actually, you heard testimony from her this morning. She expressed concerns about what these schedule delays and overruns are doing to our State's consumers. I want to take the opportunity to elaborate on her comments.

I am sure that, if you had the opportunity to read the over 1400 protest letters that you have
received, you would see a recurring theme. Consumers simply cannot afford these cost overruns. Presently, we are all paying around 16 percent of our electric bill for a service we have yet to receive.

VOICE: Amen.

WITNESS: While we, as consumers, are paying 16 percent of our electric bill, SCANA shareholders saw an 11.9 percent increase per share in the last five years. During that same time, Social Security recipients have received a cost-of-living adjustment of 3.6 percent, and I will also add that, in 2015, that cost-of-living adjustment was 0 percent.

I am an SCE&G customer, and I have been for almost 40 years. A significant number of our membership are also SCE&G customers. Around 300,000 of our members are over the age of 66 and, for many of these folks, about 37 percent of them are living on Social Security as their primary or perhaps only source of income. It's important to note that the average payment per month for Social Security is $1250. Monthly expenditures for the individuals relying on Social Security have to be monitored with an eye on "What can I do without?"
Utilities, in general, are nonnegotiable. So, as utility costs rise, these seniors have to make tough decisions about buying medications, food, and other essential commodities. And as a fact that we at AARP are very aware of, in South Carolina we rank third worst in the nation for food insecurity and hunger for folks over the age of 60.

[3-minute bell]

I'm going to go just one second longer -- actually, more than one second.

CHAIRMAN WHITFIELD: Go ahead, Ms. Norris.

WITNESS: Thank you. As you deliberate on the decisions you have to make, relative to SCE&G's request, I respectfully ask you to think about these citizens that are living on $1250 a month. They need you to be their advocates. And I ask that, as you listen to the many voices coming to you about this project, that you keep one of your stated goals, as Public Service Commissioners, at the forefront of your actions: the goal that says, and I'm going to quote, "Seek to ensure that, within a competitive utility environment, core or captive customers with little market power are not unduly burdened with the cost of competition and are provided appropriate service and service
options."

Again, I thank you for the opportunity to speak to you, and for your thinking carefully about how what your work does, in terms of impacting our citizens. Thanks again.

[Applause]

CHAIRMAN WHITFIELD: Thank you, Ms. Norris. If you'll just -- Ms. Norris, if you'll just remain seated for just one second, and let's see if there's any questions.

WITNESS: Okay.

CHAIRMAN WHITFIELD: Mr. Burgess, any questions for Ms. Norris?

MR. BURGESS: We have no questions.

CHAIRMAN WHITFIELD: Ms. Hudson?

MS. HUDSON: [Shaking head.]

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No, sir.

CHAIRMAN WHITFIELD: Ms. Wright?

MS. WRIGHT: [Shaking head.]

CHAIRMAN WHITFIELD: Mr. Guild?

MR. GUILD: Ms. Norris, thank you for your testimony.

No questions, Mr. Chairman.

CHAIRMAN WHITFIELD: Commissioners, any
questions for Ms. Norris?

[No response]

If not, you may be excused, and thank you for your testimony.

[WHEREUPON, the witness was excused.]

Next witness, Mr. Butler?

MR. BUTLER: Yes, sir, Mr. Chairman. The next witness, Mr. Chairman, is Mr. Thomas Kosmata, if you'll come forward, please, sir?

[Witness affirmed]

THEREUPON came,

THOMAS KOSMATA,

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

WITNESS: My name is Thomas Kosmata, and I reside at 112 Scotland Drive, Lexington, South Carolina.

First of all, Mr. Chairman and Commissioners, thank you for the time today. A bit of background for grounding, I had the opportunity to hold executive and senior management positions, since the 1970s, with several Fortune 500 companies in the South Carolina Midlands, such as Cooper Industries, United Technologies Corporation, Coil Corporation of North America, Square D Company. I understand contemporary business models today.
Obviously, something is apparently wrong with the pending South Carolina Electric & Gas rate increase for construction and capital financing resulting from the V.C. Summer Nuclear Plant construction project. It's imperative SCANA and SCE&G senior leadership be held accountable for the management and control of the nuclear plant project in Jenkinsville, South Carolina, and not hold the customer base hostage for their project mistakes.

These constant rate increases create severe hardship for SCE&G customers who live on fixed incomes, many who live below the poverty line. A goodly number of SCE&G customers can't even afford to pay the bills they already have, let alone now being asked to pay another rate increase. South Carolina Electric & Gas service area customers are told that SCE&G is able to pass on these extraordinary costs because of provisions in the State's Base Load Review Act. This legislation subsidizes project cost overruns resulting from ineffective contract management, project management change orders, deficient SCE&G project oversight, and lack of supply chain control, causing the need for additional capital financing.

The SCE&G customer base did not have the
ability to vote on whether the project should be approved, yet the customer base is held accountable for the deficient project performance.

Questions that need to be answered: How much of almost $1 billion of overbudget expenses have been a result of lack of company oversight, and why are the ratepayers being asked to absorb the losses? Is there sufficient sunset provisions to roll back this rate increase, once these extraordinary costs have been financed? And, lastly, given the obvious problems that are associated with the project, what specific changes has SCE&G made both in site and upper management?

As with all investor-owned companies, the CEO is ultimately accountable for the organization's performances. If SCE&G leadership is not able to take control of construction cost overruns, missed schedules, and manage the project supply chain, they should be relieved of responsibilities.

The Base-Load-Review-Act-supported 3.1 percent increase should be reversed and SCE&G held accountable to find alternative financing through internal cash flows, bottom-line profits, and in the public marketplace if necessary, to pay for mistakes and pay for their suppliers' poor
performance.

Thank you for your consideration.

CHAIRMAN WHITFIELD: Thank you, Mr. Kosmata.

Hang tight just for a minute and let's see if we have any questions.

Mr. Burgess?

MR. BURGESS: No questions, Mr. Chairman.

CHAIRMAN WHITFIELD: Ms. Hudson?

MS. HUDSON: No questions.

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No questions.

CHAIRMAN WHITFIELD: Ms. Wright and Mr. Guild?

MS. WRIGHT: No questions.

MR. GUILD: No questions. Thank you, Mr. Chairman.

CHAIRMAN WHITFIELD: Thank you.

Commissioners?

[No response]

Hearing none, you may be excused. Thank you for your testimony.

WITNESS: Thank you.

[Applause]

[WHEREUPON, the witness was excused.]

MR. BUTLER: Mr. Chairman, I'd like to call Ms. Doris Fletcher, please. Doris Fletcher?
[Witness affirmed.]

THEREUPON came,

**Doris Fletcher**, who, having been first duly affirmed, testified as follows:

**Witness**: I just got out of the hospital and don't feel well, and I'm scared if I get up here I might say something I should not say, because I've been to too many of these meetings and I know how you all act, to get the money that you get. And y'all are putting a burden on everybody, South Carolina Electric & Gas. And I pray God will take care of you.

Can I leave?

**Chairman Whitfield**: Yes, ma'am. Thank you, Ms. Fletcher.

**Witness**: Thank you.

[Applause]

[WHEREUPON, the witness was excused.]

**Mr. Butler**: I'd like to call Lorraine Simmons, please? Lorraine Simmons?

[Witness affirmed]

THEREUPON came,

**Lorraine Simmons**, who, having been first duly affirmed, testified as follows:

**Witness**: My name is Lorraine Simmons. My
address is 109 Chartwell Road, Columbia, South Carolina 29210.

Good evening, Mr. Chairman, Commissioners. As I said, my name is Lorraine Simmons, and I am an SCE&G customer. I am here tonight to ask you, the members of the Public Service Commission, to take consumers into serious consideration as you decide whether or not to let SCE&G have another rate increase for the schedule change of their projects. In the last few months and weeks, I've had the opportunity to talk with friends and neighbors about how yet another rate increase will impact their finances, which affect their households and families.

Many families, including myself, you know, we live on modest retirement, and others just on Social Security. Many other families are just getting by paycheck to paycheck. So rising utility costs impact how we live, and often determine if we can pay for medication, food, housing, and other critical needs.

For each delay of this project, consumers have been hit with the responsibility of the costs, with very limited opportunities to voice our concerns. I'm sure I'm not alone when I say that, as a
consumer, I'm very frustrated. Our State law allows utility companies to charge the consumers for cost overruns for big projects, like building the nuclear plants. The project has cost $1.5 billion more than originally estimated, and there's no guess who's footing the bill. I am, and all the consumers for SCE&G across the State.

What happens when SCE&G customers run out of money before the end of the month? You know, who can we turn to to help? Who can we turn to for relief? So is it fair that we have to experience health complications because we couldn't buy the medication or the right food for our own health needs? This is just not fair business trade. It places a huge burden on my personal finances, and why should I have to decide between paying my electric bill, paying my rent, buying my groceries or my medication, or any of the other things that me and my family need? I should not have to live in a distressed state of mind, afraid that I can't pay my bill or my electric and my gas is going to get cut off. And those of us on fixed income cannot afford the 16 percent increase in our utility bills. We've had to struggle through since 2009, and I personally have not felt the benefit of
any of these continuous increases in my service. So, the PSC has an obligation and a duty to protect the consumers from increasingly high utility costs. I ask that you please hear my heartfelt, sincere – [indicating] -- please just take into consideration, on behalf of all SCE&G customers across the State. And I thank you for allowing me to be the voice of the consumer, and for allowing me to be heard. Thank you.

[Applause]

CHAIRMAN WHITFIELD: Thank you, Ms. Simmons. If you'll just hang with us just a moment more, we'll see if there are any questions.

Mr. Burgess?

MR. BURGESS: No questions.

CHAIRMAN WHITFIELD: Ms. Hudson?

MS. HUDSON: No questions.

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No questions.

CHAIRMAN WHITFIELD: Ms. Wright?

MS. WRIGHT: No questions. Thank you for coming.

CHAIRMAN WHITFIELD: Mr. Guild?

MR. GUILD: Thank you, Ms. Simmons.

No questions, Mr. Chairman.
CHAIRMAN WHITFIELD: Commissioners?

[No response]

Ms. Simmons, we thank you for your testimony and thank you for being here, and you may be excused.

WITNESS: Thank you.

[WHEREUPON, the witness was excused.]

CHAIRMAN WHITFIELD: Next witness, Mr. Butler.

MR. BUTLER: Yes, sir, Mr. Chairman. I'd like to call Ruth Rambo. Ruth Rambo, please.

[Witness affirmed]

THEREUPON came,

RUTH RAMBO,

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

WITNESS: My name is a Ruth Rambo, and I am not packing.

[Laughter]

My address is 1364 Little David Court, Charleston, South Carolina.

Thank you, very much, for the opportunity to come and to talk with you about something that is enormously serious for those of us who live on fixed incomes. I have come all the way from Charleston – a fair piece, as they used to say – to share my strongly held opinion on the new proposed
SCE&G rate hike. I come because I can. I come because there are many others who feel similarly, but can't come here. They can't come because of lack of resources. They don't have time, they don't have money, they don't have transportation, and they don't have information about these proceedings which directly affect them and their budgets. I should say, us and our budgets.

I come to share my opinion, even though I do not believe that my reservations will be heard -- tolerated, but not heard. And I strongly ask not that you consider the role of the residential customer and its importance in the economy of our country and the well-being of our country, but because I think we have to take responsibility to say what we think, regardless to how it is received. I feel like, probably, one of those shacks in Haiti that's facing Hurricane Matthew now -- doomed. You don't know what's going to happen, but you have to stand up. And I am standing up to say not consider us, listen to us. Know that an increase, as Liz Norris so eloquently framed it, when we don't get a cost-of-living increase, that means that our percentage of increase is greater than anybody else's. So, COLA for Social Security
didn't happen since 2014; it didn't happen in 2015, and it is not projected to happen in 2016. Instead, my SCE&G percentage rate hike is greater than any increase that I get on my fixed income. It doesn't take an economist of Lester Thoreau's caliber to understand what that means, and it is serious, and I implore you: Look at who is supposed to benefit from public service. The public. And on our behalf, I say, pay very close attention. If I were a person who could, like SCE&G can, come back to you and say I need more money -- if I don't have enough money at the end of the month, my creditors are on me. But what SCE&G can do because of the legislation and because of the power that you hold, they can come to you and get more money. There's no more money for us. There is no Public Service Commission to wave a wand over our budget overrun. So as you proceed, remember us. Thank you.

[Applause]

CHAIRMAN WHITFIELD: Excuse me, Ms. Rambo, if you could just remain at your chair just for a moment.

Mr. Burgess, any questions for Ms. Rambo?

MR. BURGESS: No, sir.
CHAIRMAN WHITFIELD:  Ms. Hudson?

MS. HUDSON:  No questions. Thank you.

CHAIRMAN WHITFIELD:  Ms. Thompson?

MS. THOMPSON:  No, sir.

CHAIRMAN WHITFIELD:  Ms. Wright?

MS. WRIGHT:  No, sir.

CHAIRMAN WHITFIELD:  Mr. Guild?

MR. GUILD:  Thank you, Ms. Rambo.

No questions, Mr. Chairman.

CHAIRMAN WHITFIELD:  Commissioners?

[No response]

Ms. Rambo, thank you for your testimony.

WITNESS:  You're quite welcome.

[WHEREUPON, the witness was excused.]

MR. BUTLER:  Mr. Chairman, the next witness is Mr. Joseph Wojcicki.

[Witness affirmed]

THEREUPON came,

J O S E P H  W O J C I C K I ,
who, having been first duly affirmed, testified as follows:

WITNESS:  My name is Joseph Wojcicki, proud United States citizen and residing at 820 Eastern Road, West Columbia, South Carolina.

Requesting money from South Carolina Electric & Gas customers is just corporate organized crime.
You cannot use the South Carolina Base Load Review Act for a non-base-load nuclear project in Jenkinsville. This is illegal. Base-load reactors must have all 365 days per year of cooling water availability.

ORS knew this fact since 2008 but is still ignoring people's protests, their own mission, and is nine times breaking the law by creating a settlement. They know this current water problem. So what will happen over the next 60 years of the reactors' life to operate and at one and the same time delivering drinking water to the cities.

The federal money for this project was available in 2008 and still is now, as Georgia is using $8 billion from Department of Energy on their own twin project.

By the way, China's AP1000 unit is in testing now, and to be connected to the grid, and they started construction in 2009 after some delay to recheck safety. And cooling water is from the sea, not from the river, which has periods of very low flows.

This is South Carolina, and natural law. Now we need an order from you to return stolen money and not allow SCANA to be a cancer over electric
Thank you, and I believe that the law is correct, because they'll not ask in every other year that they're not supposed to take the money from non-base load. There is zero proof that Jenkinsville plant can be, and there is 300 percent information that it's not -- it cannot be a base-load reactor. Thank you, very much.

CHAIRMAN WHITFIELD: All right. Any questions for Mr. Joe, Mr. Burgess?

MR. BURGESS: No questions of Mr. Joe.

WITNESS: And I'd be glad to deliver this one, asking motion. To put this information, I believe, is very important right now, because again the money must be returned to the people they will have done this. You're supposed to know the first law is to shall not steal.

CHAIRMAN WHITFIELD: Mr. Joe?

WITNESS: I'm sorry.

[Applause]

CHAIRMAN WHITFIELD: Mr. Joe, are you requesting that to be put in the record?

WITNESS: Yes, please, if you can.

CHAIRMAN WHITFIELD: All right. We will enter that into the record. And you've shared that with
Ms. Wheat. That will be Hearing Exhibit No. 8.

[WHEREUPON, Exhibit No. 8 was marked and received in evidence.]

WITNESS: Thank you.

CHAIRMAN WHITFIELD: And wait just one second. I've got to check with a few more to make sure there are no further questions.

Ms. Hudson, any questions for this witness?

MS. HUDSON: No questions.

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No questions.

CHAIRMAN WHITFIELD: Ms. Wright?

MS. WRIGHT: Yes.

CHAIRMAN WHITFIELD: Mr. -- you do have a question for Mr. Joe?

MS. WRIGHT: Yes.

CHAIRMAN WHITFIELD: Come forward

CROSS EXAMINATION

BY MS. WRIGHT:

Q Mr. Wojcicki, do you have an engineering background?

A Yes, I do.

Q Can you explain your background to us, please?

A Ah, it's pretty long.

Q Give us the short version.

A Okay. I have Master's degree in Electrical Engineering.
I was teaching in technical university for three years, and exactly one of my subjects and first lesson was what is base load. So for this reason I really know what I'm talking about. Here in the United States, I was engineer educator in technical system, and even my English as a second language, my students give me a place in 2 percent top educators here. Thank you, America.

Q Have you been associated with anything to do with nuclear in South Carolina?

A Okay, now my background is very -- not so really close to the nuclear power --

Q Were you --

A -- but I have two years -- two times internship in Savannah River Site, so I know a little bit about nuclear situation in South Carolina.

Q Were you asked to come in as a consultant at the Savannah River Site?

A I was at this time teaching, so Savannah River site uses my knowledge in process control and computer work.

Q Could you explain to us what base load really is?

A Base load is the load required to deliver electricity for 24/7 per week, 365 days per year, and of course 8760 hours per year. It's supposed to be around all the time. So it's no way, really, right now, when we're
looking to the water, that you can go right now. It looks like the water in the Congaree River, you cannot see any water for anything else. Even sometimes probably would be problem if, especially, we have 10 years drought. So in this kind of situation, there is no way to deliver this kind of stuff.

Q Let me ask you this. Have you been watching the level in the rivers?

A Not only myself, but I have data from several years. I have -- several places are right now controlling the level and flow. One is just close to Jenkinsville; it's called Alston. And you can look here and see how low it was, especially, in 2001. And 2001 was probably, according to the rules of the low flow in South Carolina, there was just 28 percent ability to run these two reactors that are really evaporative of the water. They want to operate this, from these reactors, exactly the same number that is required right now to deliver to the City of Columbia.

Q What would happen with these reactors if the river went through a drought as if it were the one in 2002?

A That would have to be shut down. And at this point of time, they are not going to be base load, of course.

Q And how many days can they be shut down for repairs or maintenance?
An AP1000 is very good design. It's supposed to be base load. But location Jenkinsville and taking water from the Broad River does not allow them to run this 100 percent of the time. I mention in my investigation study that was done for several months, how that, for example, in 2001, there was just 28, maybe 30 percent of the time, so 28 to 30 percent, for sure, it's not base load. Yes.

MS. WRIGHT: Okay. That all the questions I have.

CHAIRMAN WHITFIELD: Thank you, Ms. Wright.

Mr. Guild, you're the last one. Any questions for this witness?

MR. GUILD: Thank you, Mr. Joe.

No questions, Mr. Chairman.

CHAIRMAN WHITFIELD: Thank you, Mr. Guild.

Commissioners?

[No response]

WITNESS: Thank you, ladies and gentlemen. It was fantastic. Good to see you.

CHAIRMAN WHITFIELD: Thank you, Mr. Joe.

Thank you for your testimony.

[Applause]

[WHEREUPON, the witness was excused.]

MR. BUTLER: I'd like to call Elaine Cooper,
please. Elaine Cooper?

[Witness affirmed]

THEREUPON came,

ELAINE COOPER,

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

WITNESS: Hello. My name is Elaine Cooper.

My address is 3105 Dalloz Road, Columbia, 29204.

Okay. I am a member of the South Carolina Sierra Club, and I sent in my AARP membership after I saw that full-page ad in the State newspaper.

I'm also a State retiree from SCETV and an SCE&G customer.

On top of the SCE&G rate hike, it appears that the South Carolina State retiree pensions will be cut, so that's, you know, another burden, is what I'm getting at, that we will have to deal with as retirees. This is a reality. I attended the meeting at the Statehouse.

I'm asking once again -- to be accurate, seven times in the past. Yes, seven times that the Public Service Commission has not made a prudent decision to act to protect the ratepayers. Why should ratepayers shoulder the burden of the cost overruns and building delays of these two V.C. Summer Nuclear Plants? Our rates are some of the
most expensive in the Southeast, just to let
people know in the room. It's not a good day in
South Carolina, until the Public Service Commission
can begin to look out for the SCE&G ratepayers in
South Carolina. Thanks.

CHAIRMAN WHITFIELD: Thank you, Ms. Cooper.

Mr. Burgess, any questions of Ms. Cooper?

MR. BURGESS: No questions, Mr. Chairman.

CHAIRMAN WHITFIELD: Ms. Hudson?

MS. HUDSON: No questions.

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No questions.

CHAIRMAN WHITFIELD: Ms. Wright?

MS. WRIGHT: No questions.

Thanks for coming.

CHAIRMAN WHITFIELD: And Mr. Guild?

MR. GUILD: Thank you, Ms. Cooper.

No questions.

CHAIRMAN WHITFIELD: Commissioners.

[No response]

Hearing none, you're excused, Ms. Cooper.

Thank you for your testimony.

[Applause]

[WHEREUPON, the witness was excused.]

MR. BUTLER: Mr. Chairman, I'd like to call
Mr. Gregg Mendenhall. Mendenall. Excuse me, sir.

[Witness affirmed]

THEREUPON came,

GREGG MENDENALL,

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

WITNESS: All right. I do understand the electric company is going up. And my concern is that I can't -- my medical bills cost me like $300 every two months. I have to do a special inhaler, and I've got -- just other medicines. Because I have my cochlear, they cost me -- would probably be $50-$100 just to upgrade, batteries recharge. And my parents are retired, and I'm looking part-time, and it's just no way. Deaf people or hearing people, whatever they are. I'd be happy if you tried to research more, outside businesses for home residents. That way we can fix the problems between those behind me, instead of just increase whatever it is, or maybe they donate $1 million to something else and not fix the nuclear plants. Use the money for something else, or try to use the money, to save people, poor people, or electric company. We can't afford nothing. Not even [phrase indiscernible] parachute. I'm not saying -- but I'm just saying, try to do something for older people, and
somebody has Social Security and part-time, that –
I've got a couple of deaf friends that tells me
they paid $200 a month, and they had to use a
heater trying to find a way, whatever it is. I
just feel bad. I paid about $285 last year, and
now I had to pay $200 -- $100-$200 each month to
buy a new air-conditioning system, because it was
broken. And I'm trying to find a way for money to
pay what it is, between my medical and other
things. I appreciate it. Thank you.

CHAIRMAN WHITFIELD: Thank you, Mr. Mendenall.

Mr. Burgess, questions?

MR. BURGESS: No questions.

CHAIRMAN WHITFIELD: Ms. Hudson?

MS. HUDSON: No questions.

CHAIRMAN WHITFIELD: Ms. Thompson?

MS. THOMPSON: No questions.

CHAIRMAN WHITFIELD: Ms. Wright?

MS. WRIGHT: I have no questions.

CHAIRMAN WHITFIELD: Mr. Guild?

MR. GUILD: No questions, Mr. Chairman.

CHAIRMAN WHITFIELD: Commissioners?

[No response]

Hearing none, you may be excused, Mr.
Mendenall. Thank you for your testimony.
WITNESS: Thank you.

[Applause]

[WHEREUPON, the witness was excused.]

MR. BUTLER: Mr. Chairman, that was the last witness that had signed up to speak this evening. Thank you.

CHAIRMAN WHITFIELD: Thank you, Mr. Butler.

Since that is our last witness, we will be adjourned and we will resume the merits hearing Wednesday, October 12, at 10:30 a.m.

I'm sorry. Ms. Hudson?

MS. HUDSON: Mr. Chairman, in conclusion, I would just like to say, on behalf of the Office of Regulatory Staff, thank you all for coming out.

And, Mr. Chairman, we would ask that the sign-in sheet be marked for identification and entered into the record as the next hearing exhibit, if it pleases the Commission.

CHAIRMAN WHITFIELD: Thank you, Ms. Hudson.
We will do that, and the sign-in sheet will be Hearing Exhibit No. 9.

[WHEREUPON, Hearing Exhibit No. 9 was marked and received in evidence.]

MS. HUDSON: Thank you, Mr. Chairman.

CHAIRMAN WHITFIELD: Anything further?
[No response]

If not, we're adjourned. Thank you for your testimony, and thank you for attending.

[WHEREUPON, at 6:45 p.m., the hearing in the above-entitled matter was adjourned, to reconvene on Wednesday, October 12, 2016, at 10:30 a.m.]
CERTIFICATE

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, Notary Public in and for the State of South Carolina, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of proceedings had and testimony adduced in a hearing held in the above-captioned matter before the PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA;

That the witnesses appearing during said hearing were sworn or affirmed to state the truth, the whole truth, and nothing but the truth;

IN WITNESS WHEREOF, I have hereunto set my hand and seal, on this the 20th day of October, 2016.

[Signature]

Jo Elizabeth M. Wheat, CVR-CM/M-GNSC
Hearings Reporter, PSC/SC