South Carolinians Against Monetary Abuse (SCAMA)
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SCAMA Obtains Records Indicating Liens Filed by Fluor, Company Constructing New Nuclear Reactors in South Carolina and Georgia, Against SCE&G and Georgia Power/Southern Nuclear

Liens, Filed on March 23, Total $165 Million for both Projects and Indicate Growing Financial Stress as Toshiba Approves Westinghouse Bankruptcy – See Links to Liens in Notes Below

Columbia, SC – In another stunning turn of events with the nuclear reactor construction projects in South Carolina and Georgia, it has been discovered that liens were filed against the owners of both projects by the construction contractor just days before reactor vendor Westinghouse declared bankruptcy.

A lien of $60 million was filed on March 23 by construction contractor Fluor Enterprises, Inc. against South Carolina Electric & Gas (SCE&G) for “labor and building materials” at the V.C. Summer nuclear reactor project. The “mechanics lien,” against property owned by SCE&G was filed in Winnsboro, South Carolina, county seat of Fairfield County, where two Westinghouse AP1000 experimental reactors are under construction. The property stipulated in the lien is the site where the reactor project is located.

A “mechanics and materialmens” lien of $105 million was filed in Waynesboro, Georgia, located in Burke County, by Fluor on March 23 against Georgia Power/Southern Nuclear Operating Company. The line is on the reactor site property located in Burke County, where two AP1000 reactors are under construction at Plant Vogtle. Records indicate that Fluor had filed a “preliminary notice of lien” of $128 million on March 17.

“It is clear that Fluor and Westinghouse are taking steps to protect their financial interests but it does not appear that anyone in authority is looking out for the electricity customers in South Carolina and Georgia,” said Leslie Minerd, founder and honorary president of South Carolinians Against Monetary Abuse (SCAMA), formed in February 2017 to confront the self-induced crisis facing the nuclear projects.

“Those responsible for the nuclear construction financial meltdown that is hanging over the head of beleaguered ratepayers in South Carolina must resign or be fired - that includes the South Carolina Public Service Commission, managers at the S.C. Office of Regulatory Staff, SCE&G and SCANA officials and legislators who approved the 2007 law under which the project is being pursued,” added Minerd. The project has been pursued under the Baseload Review Act (BLRA), which unjustly shifts costs and risks of nuclear projects to the ratepayer.

The lien against SCE&G was obtained from a visit by a SCAMA member to the courthouse in Winnsboro, SC and the lien against GA Power/SNC was obtained via the Georgia secretary of state’s website.
While SCAMA has heard various rumors that the V.C. Summer project was on verge of shutdown as the Fluor payroll could not be meet, it is possible that SCE&G and Georgia Power/SNC were able to stave off shutdown via some kind of deal with Fluor after March 23. No records in the county records indicate the liens have been withdrawn but that is possible. The filing of the liens, signal, according to SCAMA, that financial pressures are growing as the projects teeter on reorganization or shutdown caused by the financial collapse of Westinghouse as well as massive project cost overruns and significant schedule delays.

After attending a U.S. Nuclear Regulatory Commission meeting on regulation of the one existing V.C. Summer reactor and the two under construction, SCAMA interacted on Tuesday, March 28 with workers employed at the V.C. Summer site. There were indications that some work might stop by noon on March 29, as the site underwent an “inventory,” as one worker called it.

SCAMA’s Minerd posed, “The big question here in South Carolina is if the project will be shutdown entirely or will the chaos of bankruptcy and reorganization lead to a long period of project restructuring uncertainly and more spiraling costs? Either way, the ratepayers are being set up to take it on the chin and we must fight back against that outcome. We want our money back for what has turned into nuclear misadventure that regulators in the state allowed to happen though we have repeatedly warned them about the possibility of this situation since 2008.”

The South Carolina Public Service Commission held a hearing (Docket 2008-196-E) on the project in December 2008 and approved the project in February 2009. Since then there have been 9 annual rate hikes approved by the PSC to pay for project financing, now totally 18% of the bill. The PSC has rolled over at every turn since then and given SCE&G every cost increase it has requested, according to SCAMA.

Notes:

Fluor lien against SCE&G:


Fluor lien against Georgia Power/Southern Nuclear:


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