BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

REQUEST THAT IT BE ORDERED BY THE PSC OR AGREED BY THE PARTIES THAT THE BASELOAD REVIEW ACT (BLRA) CHARGE FOR ABANDONED V.C. SUMMER NUCLEAR PROJECT APPEAR ON MONTHLY SCE&G BILL STARTING IN JANUARY 1, 2019

OFFICIAL SUBMISSION for the RECORD of PUBLIC NIGHT SESSION, SEPTEMBER 24, 2018

In Re:

Joint Application and Petition of South Carolina Electric & Gas Company and Dominion Energy, Inc. for review and approval of a proposed business combination between SCANA Corporation and Dominion Energy, Inc., as may be required, and for a prudency determination regarding the abandonment of the V.C. Summer Units 2 & 3 Project and associated merger benefits and cost recovery plans, Docket No. 2017-370-E

My name is Tom Clements and I reside in Columbia, South Carolina and am a customer of South Carolina Electric and Gas. I have been paying for the misguided nuclear reactor construction project since it was approved by the Public Service Commission of South Carolina in 2009. As the information has unfortunately and unacceptably been hidden and not included on the SCE&G monthly bill, I have no idea how much I have paid for the nuclear debacle since 2009.

Since the unjustified nuclear project was approved by the PSC in February 2009 and until the August 2018 bill, no SCE&G customer could determine by looking at their bill how much money they were being charged for the nuclear project. SCE&G chose to omit the nuclear charge from the bill and the PSC did not act to require it to be placed on the bill.

SCE&G customers have suffered from nine rate charges from 2009 to 2016, to pay in advance for the nuclear project, allegedly for financing charges for the project. None of these charges were shown as a line item on the bill, hiding from customers that a growing portion of the bill was going to the dead-end project.

To the contrary of what’s happening in South Carolina, there is a line-item on the Georgia Power bill for the massively over budget and behind schedule Vogtle project, which is the barely surviving twin of the V.C. Summer project (before it collapsed). Thus, customers in Georgia can see the nuclear charge on their monthly bill. We expect equal treatment.
By November 2016, the pay-in-advance charges had reached over 18% of the monthly bill of an SCE&G customer. That 18% charge was included in the bill through July 2018 but that amount could not be determined by a customer by looking at the bill. It was only via research that a customer could determine the 18% figure. That fee has resulted in SCE&G collecting about $2 billion from customers just to pay for financing the boondoggle. Be assured that the company also handsomely profited on collecting this money.

Luckily, we have avoided more rate hikes from 2017 to 2019 that would have left the customer facing a staggering 30% of the bill just for nuclear project financing costs.

As we all know, it was the unjust Baseload Review Act (BLRA) that allowed the nuclear charges to be put on the backs of the ratepayer. The matter of the cost of the failed nuclear project, what costs will be allowed under the BLRA and if SCE&G acted in an imprudent manner by hiding key information and making extremely poor decisions from the start of the project will be addressed in the hearing to begin on November 1 before the PSC.

The request I am now filing is for one simple, quickly achievable thing: for the nuclear charge to be required to be placed on the SCE&G bill starting in January 2019 and going forward, if customers are to pay anything due to the mistakes of SCE&G.

As the legislature passed a law lowering the amount of the bill for the nuclear charge to 3.2% of the bill and as the PSC approved that so-called experimental rate and a rebate back to April 1, 2018, the nuclear charge is now shown on the bill as “H. 4375 Decrement Rider.” Thus, SCE&G has established the precedent to list this charge on the bill, affirming the legality of this.

I request that the nuclear charge line item, in full compliance with the law that stipulates what must appear on the bill - that law does not restrict placement of non-required items on the bill - simply be continued. As trusting SCE&G to continue to voluntarily place the charge on the bill after December 2019 is self-deception, there must be a legal requirement that the nuclear charge appear on future bills.

I made this same request in the public session in 2012, in Docket 2012-203-E, but my request was rejected. Now is the time, given changed circumstances and vastly increased public knowledge about the matter, that the PSC reconsider that decision. In its ruling of November 215, 2017 in that docket, the PSC approved a $283-million cost overrun for the project despite expert testimony by the Sierra Club that the most prudent course of action would have been to terminate the project at that time.

The placement on the SCE&G bill of the nuclear charge can be done in various ways:

1) in its ruling on the dockets before it by December 21, 2018, the PSC can direct SCE&G to place the line-item on the bill (and nothing in law prevents this) - I request this option;
2) if any agreement is reached by some or all of the parties as to what costs of the nuclear project, if any, will be allowed to go into the rate base, the parties, including the Office of Regulatory Staff, must stipulate that the line-item of the nuclear charge appears on the bill in perpetuity;

3) the PSC, Office of Regulatory Staff or by agreement of the parties can, as a fallback, agree to rulemaking to change the law to require the nuclear charge to be placed on the bill – I am not requesting this option.

Respectfully Submitted,

On behalf of myself

By: _____________________
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September 24, 2018

Attachments, which I request be entered as evidence in support of my request:

1. Cover sheet for request filed in Docket 2017-370-E, September 24, 2018;

2. Statement of Tom Clements for PSC night hearing, September 24, 2018, 3 pages;

3. Copy of SCE&G bill of August 2018, on which are shown “H.4375 One-time Bill Credit – Prior Months” and “H. 4375 Decrement Rider,” 2 pages;

4. Copy of SCE&G bill of September 2018, on which is shown the “H.4375 Decrement Rider,” 1 page;

5. Filing by South Carolinians Against Monetary Abuse (SCAMA) in Docket 2017-346-E requesting it be ordered that the nuclear charge be required on the SCE&G bill. This filing of November 20, 2017, which includes copies of earlier SCE&G and Georgia Power bills, is being filed in its entirety into Docket 2017-370-E and with approval of SCAMA.