



C. Dukes Scott
Executive Director

STATE OF SOUTH CAROLINA
OFFICE OF REGULATORY STAFF

1401 Main Street
Suite 850
Columbia, SC 29201

March 8, 2017

Mr. Kevin Marsh
Chief Executive Officer
South Carolina Electric & Gas Company
220 Operation Way
Mail Code D302
Cayce, SC 29033-3701

Re: V.C. Summer Units 2 & 3 ("the Project") – Meeting scheduled for March 13, 2017 between South Carolina Electric & Gas Company ("SCE&G") and Westinghouse Electric Company, LLC ("Westinghouse")

Dear Mr. Marsh,

ORS has become aware that a meeting will be held by Westinghouse on March 13, 2017 to brief SCE&G on schedule revisions. ORS has had ongoing concerns regarding the project schedule since it was informed last spring that Fluor and Westinghouse were undertaking an effort to produce a Revised Project Schedule ("Schedule") using Fluor's construction metrics. The completion of this schedule has been delayed.

Our interest in seeing the Schedule has been intensified by recent events. ORS has been closely following news in financial publications regarding Toshiba Corporation ("Toshiba"), the parent company of Westinghouse which holds the Engineering, Procurement and Construction contract for the Project. The press conference held by Toshiba on February 14 indicated that Toshiba's estimate of both the time needed to complete the project and its cost to complete the project have increased.

ORS has also seen several news articles regarding the possibility of Westinghouse seeking relief under bankruptcy laws. Other news articles contradict this assertion, but this remains an area of concern for ORS.

Given the delays in the completion of this schedule and the amount of contradictory information in the press regarding this project, ORS is requesting to be allowed to send an observer to this meeting between SCE&G and Westinghouse. ORS understands that SCE&G will have questions for Westinghouse at this meeting and is willing to commit to only observe the meeting in order to avoid interfering with the commercial process between SCE&G and Westinghouse in any way. The availability of the schedule is critical to ORS's review of the project and we cannot keep waiting while delays continue to mount.

Sincerely,

C. Dukes Scott
Executive Director

cc: Kenny Jackson