

shudson@regstaff.sc.gov

*Shannon Bowyer Hudson
Counsel for ORS*

January 11, 2018

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: The Honorable Henry McMaster, Governor of South Carolina, letter dated January 9, 2018

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff (“ORS”) encloses a January 9, 2018 letter from The Honorable Henry McMaster, Governor of South Carolina, to SCANA Corporation (“SCANA”) Chief Executive Officer, Jimmy Addison. In the letter, Governor McMaster extends appreciation to the employees and linemen of SCANA and also asks that the Company voluntarily reduce rates. ORS provides this letter to keep the Public Service Commission of South Carolina apprised.

Sincerely,

Shannon B. Hudson

Letter – Jocelyn G. Boyd, Esquire
January 11, 2018
Page 2 of 2

Enclosure

cc: Docket Nos. 2017-207-E Parties of Record (via E-Mail)
Docket Nos. 2017-305-E Parties of Record (via E-Mail)
Joseph Melchers, Esquire (via E-Mail)



HENRY McMASTER
GOVERNOR

January 9, 2018

Mr. Jimmy E. Addison
Chief Executive Officer
SCANA Corporation
220 Operation Way
Cayce, South Carolina 29033

Dear Mr. Addison:

As we emerge from a record-breaking winter storm that blanketed much of our State with historic snowfall, I would like to take the opportunity to address two separate but related issues.

First, I ask that you please extend my appreciation to the employees and linemen at SCANA for their dedicated efforts during our State's latest bout with severe weather. While many people have been critical of SCANA's executives in connection with the V.C. Summer nuclear project, we should all thank the thousands of dedicated utility employees and linemen in South Carolina, many of whom have braved—and will continue to brave—severe weather and dangerous conditions to keep power on or to restore it as soon as possible. Their sacrifices and those of their families do not go unnoticed or unappreciated.

Second, particularly in light of this recent winter weather, I call on SCANA to voluntarily reduce its rates to provide much needed relief to its customers. As we recover from the effects of Winter Storm Grayson, hundreds of thousands of South Carolinians will find not only Christmas bills in their mailbox but also large utility bills. Of course, many of those affected by this storm are SCANA customers. The rate reductions and customer refunds recently proposed by SCANA and its new partner, Dominion Energy—which are contingent on several conditions, including approval of the corporate merger—represent an encouraging first step; however, more needs to be done and must be done now. Accordingly, as SCANA's proposed merger with Dominion Energy awaits consideration and possible approval, I call on SCANA to file immediately a petition, pursuant to section 58-27-870(f) of the South Carolina Code of Laws, to voluntarily reduce its rates. This action would be much appreciated by the people of South Carolina—and certainly your customers.

Mr. Jimmy E. Addison
Page 2
January 9, 2018

As I noted in my October 19, 2017 letter to your predecessor, a copy of which is enclosed herewith for your review, I continue to believe that it is unreasonable and oppressive for SCANA to require its customers to bear the burden of actions and decisions in which customers played no part and over which they had no control. Therefore, I renew my call for SCANA to cease collecting approximately \$37 million per month from ratepayers for its abandoned nuclear project and to begin using the Toshiba settlement funds for customer refunds. However, at an absolute minimum, SCANA should voluntarily implement recently proposed rate reductions in an effort to demonstrate good faith to the people of South Carolina.

Thank you for your consideration of these important issues. I look forward to hearing from you. Should you have any questions regarding anything mentioned above or otherwise, please call me.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Henry McMaster", written in a cursive style.

Henry McMaster

Enclosure



HENRY McMASTER
GOVERNOR

October 19, 2017

Mr. Kevin Marsh
Chairman and CEO
SCANA Corporation
220 Operation Way
Cayce, South Carolina 29033

Dear Mr. Marsh:

By this letter, which I would ask that you share with the Board of Directors, I call on SCANA, as the parent company of SCE&G, to immediately cease collecting approximately \$37 million per month from ratepayers for its abandoned nuclear project. I also urge SCANA to use the Toshiba settlement funds to begin refunding to ratepayers money collected for the construction of the nuclear reactors in Fairfield County. I believe this is the right thing to do under these circumstances. It is unreasonable and oppressive for SCANA to require its customers to bear the burden of actions and decisions in which customers played no part and over which they had no control. Moreover, as SCANA seeks to stabilize its future in the face of investigations and ratepayer lawsuits, it would be unwise to spend years litigating the constitutionality of the Base Load Review Act.

Thank you for your consideration of this important matter. Should you have any questions regarding anything mentioned above or otherwise, please call me.

Yours very truly,


Henry McMaster

HM/tl