

South Carolina House of Representatives

Ways and Means

Transportation and Regulatory
Subcommittee



Public Service Commission of South Carolina

Budget Report

2023

Key Officials



Commissioner
Carolyn "Carolee" Williams
(803) 896-5100
Representing District 1
Term Expires June 30, 2024



Commissioner, Chair
Florence P. Belser
(803) 896-5100
Representing District 2
Term Expires June 30, 2022



Commissioner
Stephen M. "Mike" Caston
(803) 896-5100
Representing District 3
Term Expires June 30, 2024



Commissioner
Thomas J. "Tom" Ervin
(803) 896-5100
Representing District 4
Term Expires June 30, 2022



Commissioner
Headen B. Thomas
(803) 896-5100
Representing District 5
Term Expires June 30, 2024



Commissioner
Justin T. Williams
(803) 896-5100
Representing District 6
Term Expires June 30, 2022



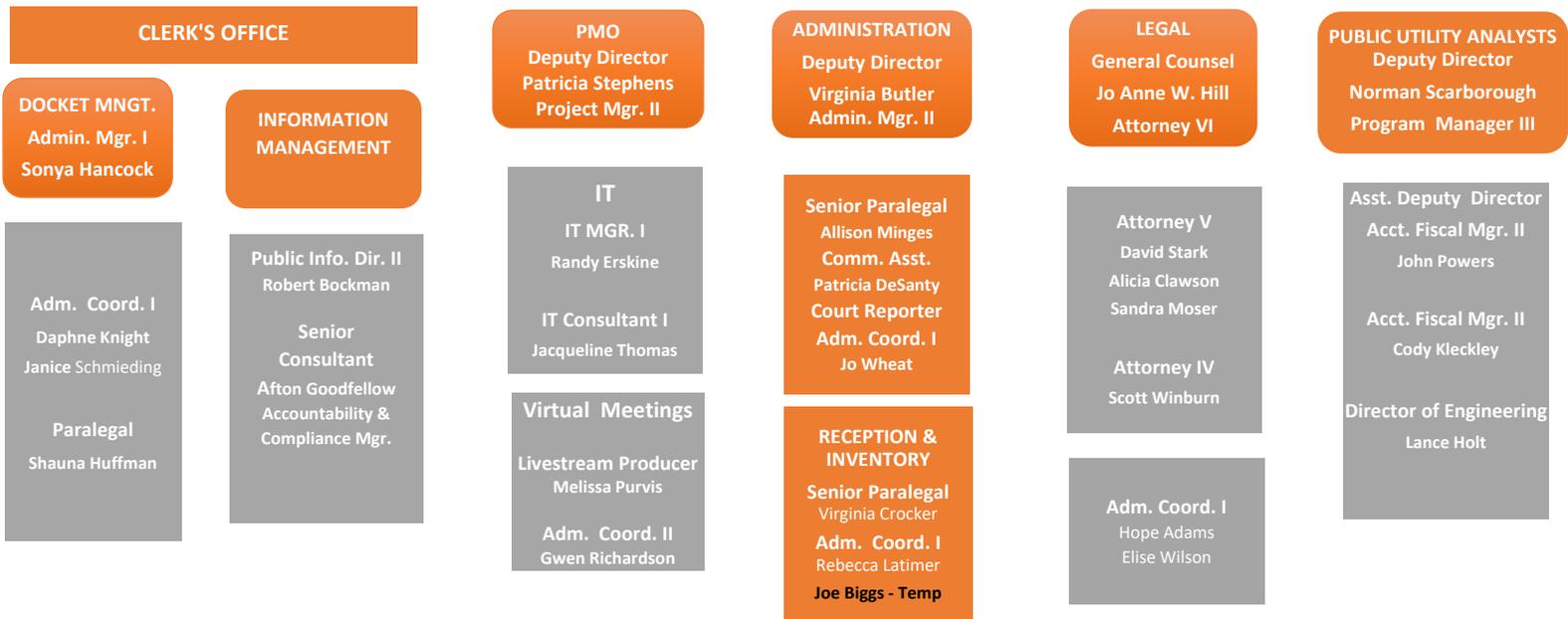
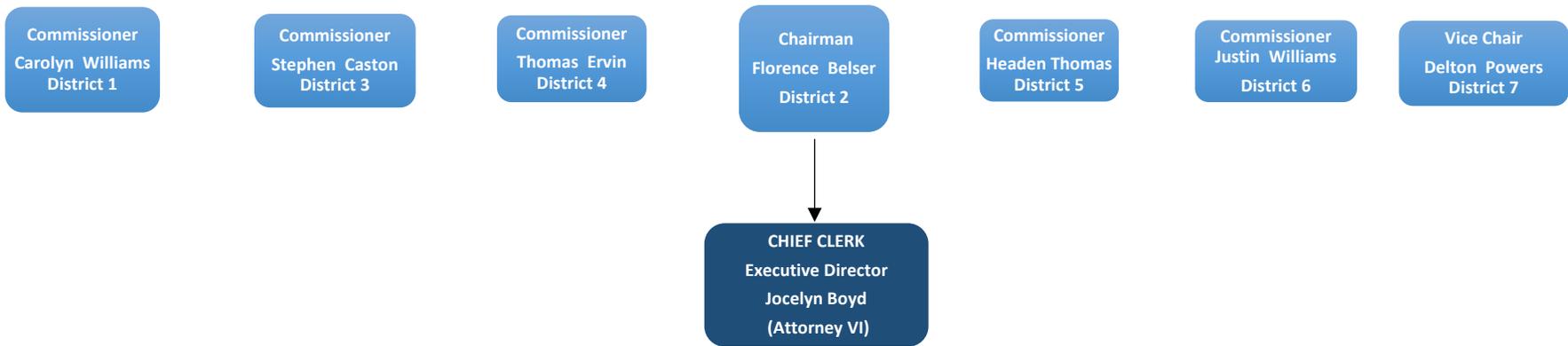
Commissioner, Vice Chair
Delton W. Powers, Jr.
(803) 896-5100
Representing District 7
Term Expires June 30, 2024

Chief Clerk
Jocelyn Boyd
Columbia, SC
(803) 896-5100

Agency Overview

AGENCY MISSION	To serve the public by providing open and effective regulation and adjudication of the state’s public utilities, through consistent administration of the law and regulatory process.
AGENCY VISION	At the Public Service Commission of South Carolina, our vision is to be a global leader of investor-owned public utilities regulation by adhering to and embracing the highest level of impartiality, excellence, professionalism, and transparency.

Program/Title	Purpose
Administrative	Manages the administrative operations of the Public Service Commission - Finance, Procurement, and Human Resources.
Commissioners	Adjudicates cases involving investor-owned electric and gas utility companies, water and wastewater companies, telecommunications companies, motor carriers of household goods, hazardous waste disposal, and taxicabs.
Clerk's Office	Processes applications and filings, communicates with the public/industries, and supports public databases of Commission activity.
Legal	Serves as legal counsel in Commission proceedings, as well as advisors to Commissioners.
Project Management Office	Facilitates Project Management; Information Technology; Strategic Planning; Risk Management; Information Security; Contract Administration for Technology, Security, and PSC Building Services.
Public Utility Analysts Office	Serves as accounting, economic and engineering advisors to the Commissioners.



Public Service Commission of South Carolina

FTE Breakdown

01/09/2023

The Public Service Commission currently has 44 approved FTE positions:

Commissioners	7
Classified Exempt	21
Classified Non-exempt	8
Vacant Positions	8

EXECUTIVE SUMMARY

The Public Service Commission of South Carolina (Commission or PSC) regulates the rates and services of investor-owned public utilities in the State of South Carolina. With over 100 years of service to the state of South Carolina, the PSC establishes just and reasonable standards for their rates and services.

Executive Summary of Achievements

Strategic Goal I: Optimize the Effectiveness of Commission Processes and Systems

- Phase IV of the Docket Management System Enhancement Project was completed, and Phase V implementation began.
- Regulation 103-811 was promulgated, allowing the Commission to employ, through contract or otherwise, third-party consultants or experts, ensuring an open and transparent process.
- The Commission continued to review its regulations pursuant to S.C. Code Ann. Section 1-23-120(J).

Strategic Goal II: Promote Operational Excellence & Transparency

- The Commission's social media accounts gained over 4,000 followers during the year, tripling the Agency's impressions.
- The PSC modified its website to comply with Act 214 of 2022 to clearly communicate pending transportation applications and maximum rates for Class E motor carriers.
- The Commission revised its public notices of filings and hearings to improve readability based on stakeholder input.

In order for the Public Service Commission of South Carolina to carry out its mission, the Commission must be alert to and anticipate emerging issues in the industries it regulates, including federal regulatory developments. Maintaining effective communications with its stakeholders through social media and public notices aids in achieving this goal.

The Commission continues to improve its hearing procedures to provide accessible, transparent, and effective regulation of public utilities and to provide the public with clear information about the regulatory process and its decisions. To increase transparency and engagement with public utility consumers, the Commission continues the implementation of a more robust communications platform, including its SC Utility Consumer website, social media accounts, and advertisement campaign. Across all its social media accounts as of June 30, 2022, the Commission has 8,971 followers, tripling the Agency's impressions and almost doubling follower counts since last fiscal year.

PSC Social Media Followers					
Platform	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
SC Utility Consumer Facebook	0	39	60	1,520	1,804
SC Utility Consumer Twitter	0	106	192	244	257
PSC Facebook	44	140	229	2,577	6,317
PSC Twitter	283	380	484	567	593
TOTAL	327	665	965	4,908	8,971

An ongoing goal of the Commission is to improve its operations through technological advances. As opportunities are identified, the Commission investigates both costs and benefits before taking the appropriate actions.

During the fiscal year, the Commission continued livestreaming its Commission Business Meetings, hearings, and training sessions. Statistics for the livestream service are provided below. Livestream viewers watched 9,227 events (live and on-demand) during the year. The decrease in traffic may be a factor of the pandemic, with more parties involved in dockets watching and participating virtually in the previous fiscal year, or it may be related to less media coverage to PSC dockets during the fiscal year, resulting in less public awareness. The livestream traffic will continue to be tracked to further analyze its trends over time.

PSC Livestream Viewer Traffic			
	Total Events (FY 2019-2020)	Total Events (FY 2020-2021)	Total Events (FY 2021-2022)
July	767	877	1,258
August	740	517	1,533
September	399	518	655
October	1,913	1,228	952
November	570	1,550	1,725
December	771	777	297
January	375	3,433	287
February	832	1,541	247
March	777	2,742	400
April	346	2,467	771
May	559	1,046	599
June	567	655	553
TOTAL	8,616	17,351	9,227

The Commission’s primary duty is to adjudicate cases involving the state’s investor-owned utilities. This past fiscal year, the Commission opened 452 new dockets, including non-docketed items, held 62 hearings, issued 366 orders, and 423 directive orders. In 2020-2021, the PSC issued 390 orders and 424 directive orders. A total of 6,867 matters were posted on the Commission’s Docket Management System (DMS). The Commission also held 53 Commission Business Meetings during the year. The Commission also held two customer public hearings virtually and in-person throughout the year.

PUBLIC SERVICE COMMISSION
FISCAL YEAR JULY 1, 2021 - JUNE 30, 2022
Budget vs Actual Expenditures

30350000 OPERATING FUND

Commitment	Budget	Actual	Remaining	Expended
Administration				
501014 Executive Director	140,172.00	139,578.96	593.04	100%
501026 Chairman	137,332.00	137,295.67	36.33	100%
501033 Commissioners	812,237.00	810,808.86	1,428.14	100%
501058 Classified Positions	2,269,194.00	2,058,235.67	210,958.33	91%
501070 Temporary Positions	126,200.00	123,605.06	2,594.94	98%
Total Personal Services	3,485,135.00	3,269,524.22	215,610.78	94%
512001 Other Operating	1,446,446.00	1,198,353.27	248,092.73	83%
Total Administration	4,931,581.00	4,467,877.49	463,703.51	91%
Employer Contributions				
513000 Employer Contributions	1,340,909.00	1,202,244.40	138,664.60	90%
Total Employer Contributions	1,340,909.00	1,202,244.40	138,664.60	
Total Operating Appropriations	6,272,490.00	5,670,121.89	602,368.11	90%

34170002 SANTEE COOPER OPERATING FUND

Commitment	Budget	Actual	Remaining	Expended
Administration				
501014 Executive Director	594.00	593.04	0.96	100%
501026 Chairman	36.00	35.21	0.79	98%
501033 Commissioners	1,424.00	1,423.14	0.86	100%
501058 Classified Positions	7,394.00	7,393.43	0.57	100%
501070 Temporary Positions	1,859.00	1,858.65	0.35	100%
Total Personal Services	11,307.00	11,303.47	3.53	100%
512001 Other Operating	984,623.00	3,313.33	981,309.67	0%
Total Administration	995,930.00	14,616.80	981,313.20	1%
Employer Contributions				
513000 Employer Contributions	4,070.00	4,069.25	0.75	100%
Total Employer Contributions	4,070.00	4,069.25	0.75	100%
Total Santee Cooper Operating	1,000,000.00	18,686.05	981,313.95	2%

PUBLIC SERVICE COMMISSION
FISCAL YEAR JULY 1, 2022 - DECEMBER 31, 2022
Budget vs Actual Expenditures (as of 01/04/2023)

FUND 30350000 OPERATING FUND

Commitment	Budget	Actual	Remaining	Expended
Administration				
501014 Executive Director	144,377.00	35,224.23	109,152.77	24%
501026 Chairman	141,401.00	75,033.68	66,367.32	53%
501033 Commissioners	836,599.00	449,888.57	386,710.43	54%
501050 Subsistence	50,000.00	28,336.05	21,663.95	57%
501058 Classified Positions	2,451,767.00	1,241,341.55	1,210,425.45	51%
501070 Temporary Positions	84,831.00	75,946.90	8,884.10	90%
Total Personal Services	3,708,975.00	1,905,770.98	1,803,204.02	51%
512001 Other Operating	1,168,610.00	685,645.27	482,964.73	59%
Total Administration	4,877,585.00	2,591,416.25	2,286,168.75	53%
Employer Contributions				
513000 Employer Contributions	1,428,801.00	682,643.82	746,157.18	48%
Total Employer Contributions	1,428,801.00	682,643.82	746,157.18	48%
Total Operating Appropriations	6,306,386.00	3,274,060.07	3,032,325.93	52%

34170002 SANTEE COOPER FUND

Commitment	Budget	Actual	Remaining	Expended
Administration				
501014 Executive Director	5,000.00	869.97	4,130.03	17%
501026 Chairman	5,000.00	652.87	4,347.13	13%
501033 Commissioners	20,000.00	4,200.67	15,799.33	21%
501058 Classified Positions	10,000.00	5,140.63	4,859.37	51%
501070 Temporary Positions	1,000.00	147.69	852.31	15%
Total Personal Services	41,000.00	11,011.83	29,988.17	27%
512001 Other Operating	928,314.00	-	928,314.00	0%
Total Administration	969,314.00	11,011.83	958,302.17	1%
Employer Contributions				
513000 Employer Contributions	12,000.00	4,049.06	7,950.94	34%
Total Employer Contributions	12,000.00	4,049.06	7,950.94	34%
Total Santee Cooper Appropriations	981,314.00	15,060.89	966,253.11	2%

**PUBLIC SERVICE COMMISSION OF SC
SCEIS CASH BY FUND
CARRY FORWARD AMOUNTS FOR FY2023**

▼ Fund	▼	▼ Beginning Balance
30350000	OPERATING REVENUE	\$ 2,197,459.70 *
34170002	SPECIAL OPER - SANTEE	\$981,313.95
39580000	SALE OF ASSETS	\$5,158.09
		\$ 3,183,931.74

* Includes \$200 petty cash.

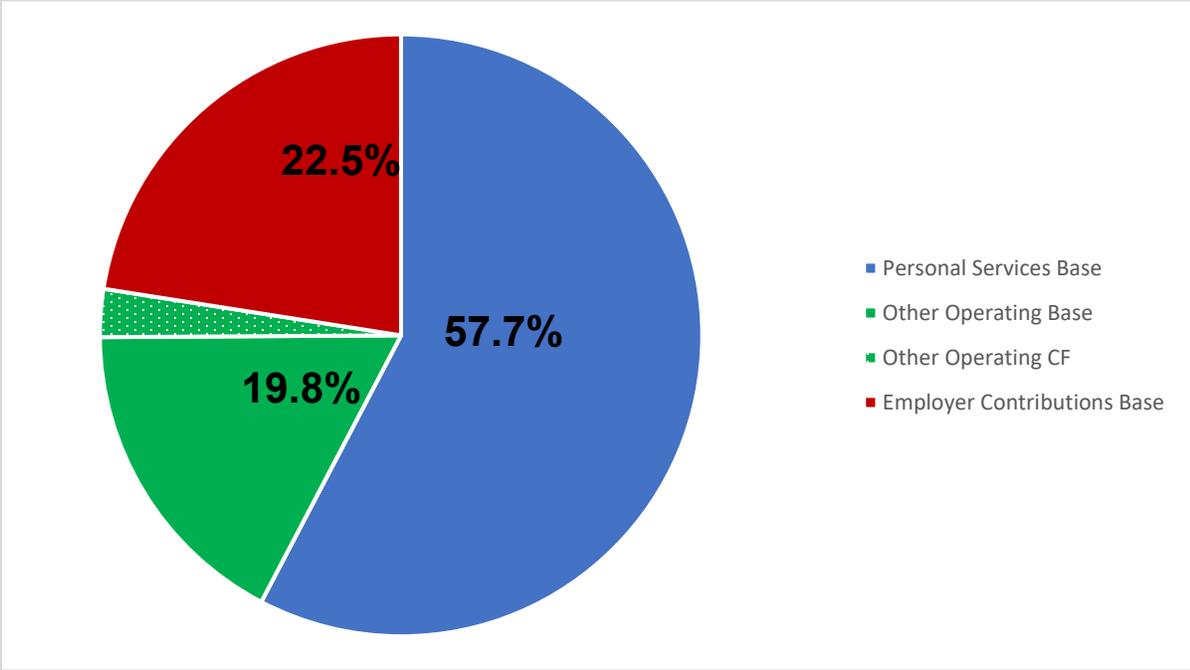
FY 23-24 Prioritized Budget Request Summary

PUBLIC SERVICE COMMISSION

BUDGET REQUESTS				FUNDING					FTEs			
Priority	Request Type (recurring, non-recurring, capital)	Request Title	Brief Description	General - Recurring	General - Nonrecurring	Other	Federal	Total	State	Other	Federal	Total
1	B1 - Recurring	Personal Services and Employer Contributions	The Public Service Commission's request includes an increase in salaries and employer contributions for: 1) 3 unfilled existing FTEs/positions - Attorney VI, Attorney III, and an Engineer/Engineer Associate IV; 2) 2 temporary positions for law clerks; 3) 3 temporary intern positions; and 4) an increase in employer contributions for existing filled FTEs due to an increase in the retirement rate of 1% and a full year's increase in the employer share of health insurance. (In the Commission's original budget request for FY2023-24, prior to review and approval by the State Regulation of Public Utilities Review Committee (PURC), the Commission requested a net increase of \$24,266 for personal services and employer contributions.)			624,462		624,462				
2	B1 - Recurring	Administration - Other Operating	The Public Service Commission's request consists of an increase in other operating expenses for the following items: 1) \$250,000 to pay expenses for avoided cost consultants and experts in Docket Nos. 2023-15-E, 2023-16-E, and 2023-17-E in accordance with S.C. Code Ann. Section 58-41-20(l) which requires the hired qualified independent third-party consultant(s) and expert(s) to submit a report to the Commission in these dockets that includes the third party's independently derived conclusion of each utility's calculation of its avoided costs; 2) \$38,521 to pay expenses for the replacement of desktops and laptops; and 3) \$75,241 to pay expenses related to the Commissioners' subsistence and mileage which began May 23, 2022 in accordance with Act Number 220 of 2022.			363,762		363,762				

**PUBLIC SERVICE COMMISSION
FISCAL YEAR JULY 1, 2022 – JUNE 30, 2023
Appropriation**

	<u>Amount</u>	<u>Percentage</u>
Personal Services Base	\$3,552,403	
Personal Service Carry Forward (CF)	<u>\$-0-</u>	
Total Personal Services	\$3,552,403	57.7%
Other Operating Base	\$1,060,412	
Other Operating Carry Forward	<u>\$158,198</u>	
Total Other Operating	\$1,218,610	19.8%
Employer Contributions Base	\$1,387,185	
Employer Contributions Carry Forward	<u>\$-0-</u>	
Total Employer Contributions	\$1,387,185	22.5%
Total Base Assessments	\$6,000,000	
Total Carry Forward	<u>\$158,198</u>	
TOTAL APPROPRIATION	\$6,158,198	100.0%

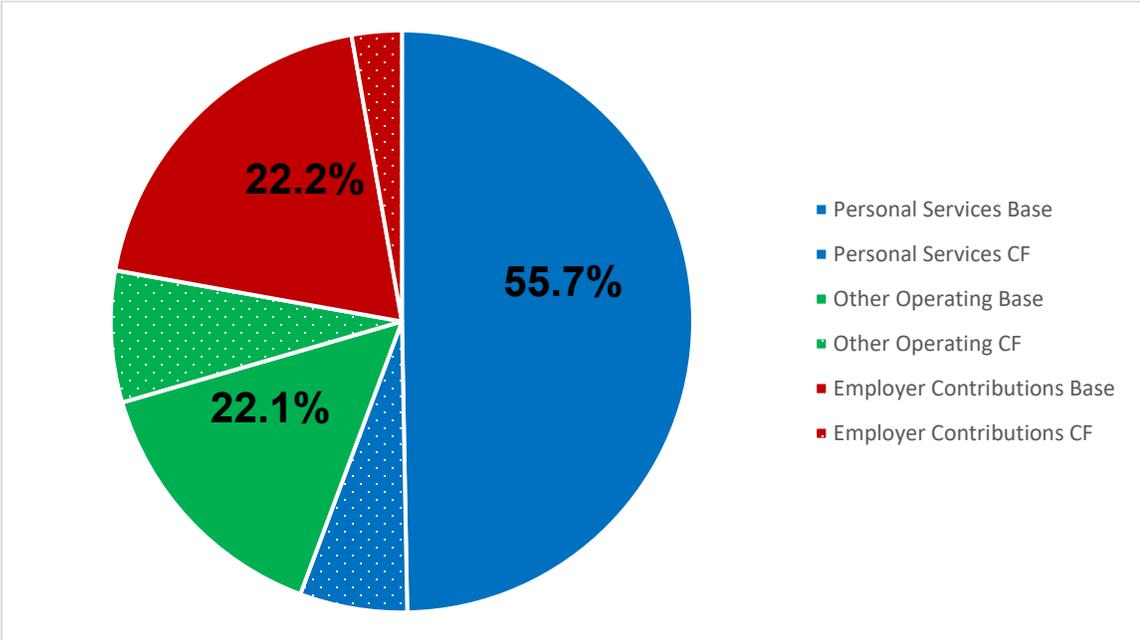


Base Budget \$6,000,000

Carry Forward Funds \$158,198

PUBLIC SERVICE COMMISSION FISCAL YEAR JULY 1, 2023 – JUNE 30, 2024 Requested Budget

	<u>Amount</u>	<u>Percentage</u>
Personal Services Base	\$3,552,403	
Personal Services Carry Forward (CF)	<u>426,088</u>	
Total Personal Services	\$3,978,491	55.7%
Other Operating Base	\$1,060,412	
Other Operating Carry Forward	<u>\$521,960</u>	
Total Other Operating	\$1,582,372	22.1%
Employer Contributions Base	\$1,387,185	
Employer Contributions Carry Forward	<u>\$198,374</u>	
Total Employer Contributions	\$1,585,559	22.2%
Total Base Assessments	\$6,000,000	
Total Carry Forward	<u>\$1,146,422</u>	
TOTAL REQUESTED BUDGET	\$7,146,422	100%

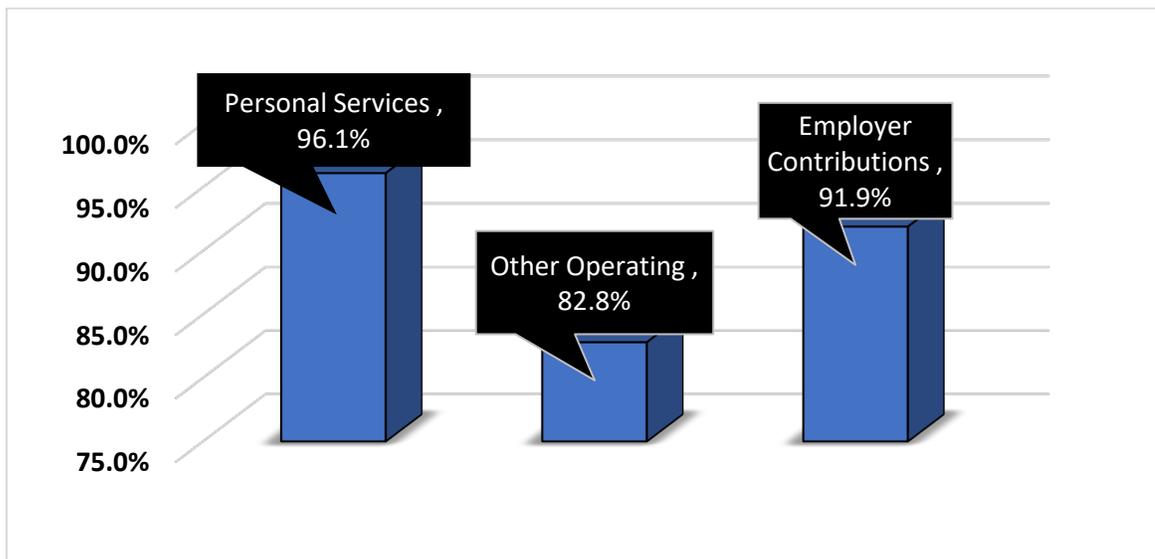


Base Budget \$6,000,000 Carry Forward Funds \$1,146,422

**PUBLIC SERVICE COMMISSION
FISCAL YEAR JULY 1, 2021 – JUNE 30, 2022
Appropriations and Expenditures (Net of PSA*)**

	Appropriations		Expenditures		% of Line Approp. Expended
	Amount	% of Total Approp.	Amount	% of Total Expenditures	
Personal Services	\$ 3,403,549	55.3 %	\$ 3,269,524	57.7%	96.1 %
Other Operating	<u>\$ 1,446,446</u>	23.5 %	<u>\$ 1,198,353</u>	21.1%	82.8 %
Total Administration	\$ 4,849,995		\$ 4,467,877		
Employer Contributions	<u>\$ 1,308,203</u>	21.2 %	<u>\$ 1,202,245</u>	21.2%	91.9 %
Totals	\$ 6,158,198	100.0 %	\$ 5,670,122	100.0%	92.1 %

Utility Assessments	\$ 6,000,000	\$ 6,000,000
Carry Forward	\$ 158,198	\$ (329,878)
Appropriations	\$ 6,158,198	\$ 5,670,122

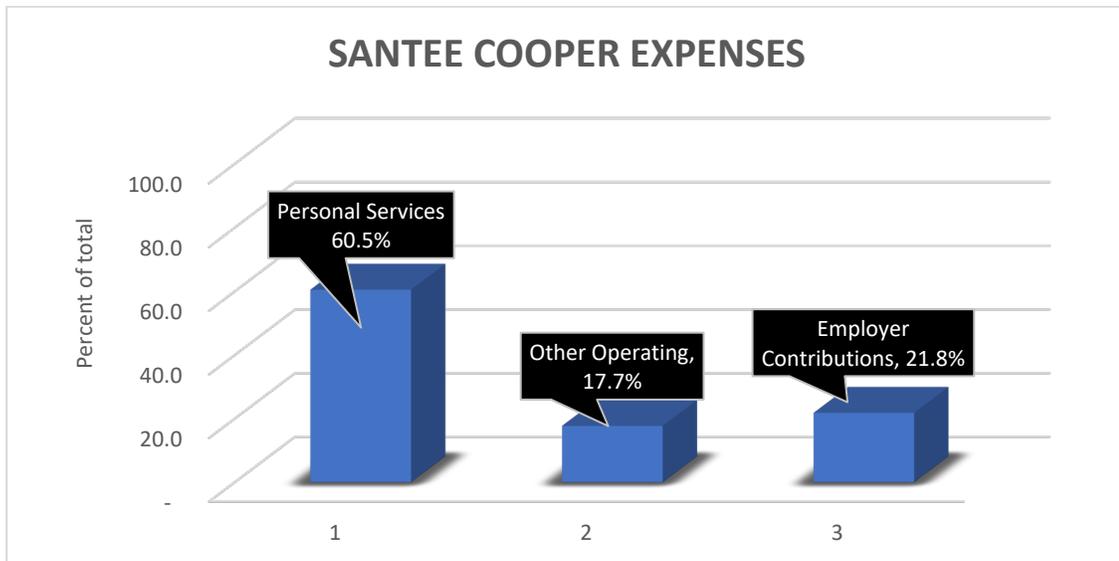


*PSA – Public Service Authority.

Utility Assessments	\$6,000,000	Carry Forward Funds Used	\$(329,878)
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**PUBLIC SERVICE COMMISSION
FISCAL YEAR JULY 1, 2021 – JUNE 30, 2022
SANTEE COOPER
Appropriations and Expenditures**

	Appropriations		Expenditures		% of Line Approp. Expended
	Amount	% of Total Approp.	Amount	% of Total Expenditures	
Personal Services	\$ -0-	0.0 %	\$ 11,304	60.5%	(100.0) %
Other Operating	\$ 1,000,000	100.0 %	\$ 3,313	17.7%	.33 %
Total Administration	\$ 1,000,000		\$ 14,617		
Employer Contributions	\$ -0-	0.0 %	\$ 4,069	21.8%	(100.0)%
Totals	\$ 1,000,000	100.0 %	\$ 18,686	100.0%	1.9 %
Transfer DeptAdmin	\$ 1,000,000		\$ 18,686		
Carry Forward	\$ -0-		\$ -0-		
Appropriations	\$ 1,000,000		\$ 18,686		



Fund Balance 06/30/2022 \$981,313.95

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72



Fiscal Year FY 2023-2024

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2023-2024, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>		Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2023-2024, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input type="checkbox"/>		Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2023-2024, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting funding for Capital Projects.
	<input checked="" type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2023-2024, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input type="checkbox"/>		Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT: SECONDARY CONTACT:	Virginia T. Butler	(803) 896-4120	virginia.butler@psc.sc.gov
	Jocelyn Boyd	(803) 896-5100	jocelyn.boyd@psc.sc.gov

I have reviewed and approved the enclosed FY 2023-2024 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:		
TYPE/PRINT NAME:		

This form must be signed by the agency head – not a delegate.

Agency Name:	<u>Public Service Commission</u>
Agency Code:	R040
Section:	72

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Personal Services and Employer Contributions	0	0	624,462	0	624,462	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Other Operating Expenses	0	0	363,762	0	363,762	0.00	0.00	0.00	0.00	0.00
3	B2 - Non-Recurring	South Carolina Integration Study pursuant to S.C. Code Ann. Section 58-37-60, Regarding Renewable Energy and Emerging Energy Technologies	250,000	0	0	0	250,000	0.00	0.00	0.00	0.00	0.00
TOTALS			250,000	0	988,224	0	1,238,224	0.00	0.00	0.00	0.00	0.00

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Personal Services and Employer Contributions
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$0 Federal: \$0 Other: \$624,462 Total: \$624,462
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS	<p>Strategic Goal 1: Optimize the Effectiveness of Commission Processes and Systems</p> <p>Strategic Goal 2: Promote Operational Excellence & Transparency</p> <p>Strategic Goal 3: Embrace Risk Management</p> <p>Strategic Goal 4: Maintain Commitment to an Engaged Adjudicatory Process</p> <p>In order to meet Strategic Goals 1- 4 the Commission must provide salaries and benefits to retain and to attract skilled staff. Employees are evaluated on an annual basis regarding their performance and appropriate feedback is provided at that time and throughout the year.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	Public Service Commission employees are the recipients of these funds. Salaries are paid based on the job classification system and employer contributions are paid based on the rates provided by the Executive Budget Office for budget projections.
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FUNDS

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Public Service Commission's request of \$624,462 includes an increase in salaries and employer contributions for:

- 3 unfilled existing FTEs/positions – Attorney VI, Attorney III, and an Engineer/Engineer Associate IV;
- 2 temporary positions for law clerks;
- 3 temporary intern positions; and
- An increase in employer contributions for existing filled FTEs due to an increase in the retirement rate of 1% and a full year's increase in the employer's share of health insurance. *

* In the Commission's original budget request for FY2023-24, prior to review and approval by the State Regulation of Public Utilities Review Committee (PURC), the Commission requested a net increase of \$24,266 for personal services and employer contributions.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Other Operating Expenses
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$0 Federal: \$0 Other: \$363,762 Total: \$363,762
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Strategic Goal 1: Optimize the Effectiveness of Commission Processes and Systems</p> <p>Strategic Goal 2: Promote Operational Excellence & Transparency</p> <p>Strategic Goal 3: Embrace Risk Management</p> <p>Strategic Goal 4: Maintain Commitment to an Engaged Adjudicatory Process</p> <ol style="list-style-type: none"> 1. Avoided Costs Experts and Consultants - The hiring and retention of the avoided cost experts (see Act 62 of 2019) authorizes a qualified independent third party consultant and expert to review each jurisdictional electrical utility's avoided costs calculations and to provide the consultant's and expert's professional written opinion regarding the sufficiency of each utility's avoided costs calculations and other criteria allowed by S.C. Code Ann. Section 58-41-20(I). The expert and consultant, after filing its avoided cost report with the Commission will be subject to discovery, cross-examination and presentation of testimony under oath by parties in the dockets and by the Commissioners. 2. Desktops and Laptops - This information technology equipment will provide efficient, necessary resources for Commission employees. 3. Commissioners' Mileage and Subsistence - Act 220 of 2022 entitles Commissioners to a subsistence allowance and mileage allowance in the course of their official duties as regulators of South
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Carolina public utilities. These expenditures are processed within the Commission and paid by the Comptroller General's Office.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

Recipients listed correspond to the line items in the Justification Request section below:

1. Avoided cost experts and consultants are external vendors/contractors who are hired after the issuance of a Request for Proposal and participated in a public interview which was livestreamed for public viewing.
2. Vendors, under state contract, will be the recipients of the funds to procure desktops and laptops.
3. Commissioners of the Public Service Commission are the recipients of the subsistence and mileage reimbursement pursuant to Act 220 of 2022.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Public Service Commission's request consists of an increase in other operating expense in the amount of \$363,762 for the following items:

1. \$250,000 to pay expenses for avoided cost consultants and experts in Docket Nos. 2023-15-E, 2023-16-E and 2023-17-E in accordance with S.C. Code Ann. Section 58-41-20(I) which requires the hired qualified independent third-party consultant(s) and expert(s) to submit a report to the Commission in these dockets that includes the third party's independently derived conclusion of each utility's calculation of its avoided costs.
2. \$38,521 to pay expenses for the replacement of desktops and laptops.
3. \$75,241 to pay expenses related to the Commissioners' subsistence and mileage which began May 23, 2022 in accordance with Act number 220 of 2022.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	South Carolina Integration Study pursuant to S.C. Code Ann. Section 58-37-60, Regarding Renewable Energy and Emerging Energy Technologies
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Provide a brief, descriptive title for this request.

AMOUNT	\$250,000
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What is the net change in requested appropriations for FY 2023-2024? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	Consulted DTO during development
	<input type="checkbox"/>	Request for Non-Recurring Appropriations
	<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS	Public Infrastructure & Economic Development
	The Public Service Commission does not currently have a performance measurement related to this strategic initiative; however, current and future energy resources will impact South Carolina's infrastructure and economic development.
	Government & Citizens
	The integration study impacts all citizens of South Carolina in preparation of future energy requirements for homes and businesses, as well as the oversight of the government in ensuring South Carolinians can rely on the ability of utilities to consistently provide sufficient energy resources. The results of the study can be used to evaluate adequate distribution of a variety of energy resources to fulfill the utilization and needs of South Carolina citizens for the future.
	The Public Service Commission held a workshop on August 25th and 26th, 2022, to begin discussions with stakeholder groups around the state regarding the integration study.
	The purpose of this workshop was to gather information about the scope and phases of the integration study under S. C. Code Ann. Section 58-37-60. Section 58-37-60 authorizes the Public Service Commission to initiate an independent study to evaluate the integration of renewable energy and emerging energy technologies into the electric grid for the public interest. The integration study, which shall be based on the balancing areas of each electrical utility, shall evaluate what is required for electrical utilities to integrate increased levels of renewable energy and emerging energy technologies while maintaining economic, reliable, and safe operation of the electricity grid in a manner consistent with the public interest.
	The results of the independent integration study shall be reported to the Governor and to the South Carolina General Assembly.

The Commission is working with Matthew Hall, Procurement Director, Department of Administration, to ensure a professional, competitive and compliant procurement process to conduct the integration study. On September 26, 2022, Mr. Hall will issue a Request for Information document to solicit estimates for a consultant to complete a high level integration study white paper. Responses to the Request for Information are due on or before October 17, 2022. The Public Service Commission will update this budget request after receiving these solicited estimates.

What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The funds will be used to pay for third party consultants, experts and other expenditures incurred by the Commission to conduct the integration study.

Consultants and experts will be hired through a competitive process and predetermined eligibility criteria.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Public Service Commission is authorized to initiate an independent study to evaluate the integration of renewable energy and emerging energy technology into the electric grid for the public interest pursuant to S.C. Code Ann. Section 58-37-60. The law states the results of the independent study shall be reported to the Governor and to the General Assembly. The integration study encompasses South Carolina's electric grid and will, hopefully, include the involvement of all South Carolina electricity providers; therefore, this request is for the study to be funded with General Funds.

The Code of Law section follows:

SECTION 58-37-60.Independent study to evaluate integration of emerging energy technologies.

(A) The commission and the Office of Regulatory Staff are authorized to initiate an independent study to evaluate the integration of renewable energy and emerging energy technologies into the electric grid for the public interest. An integration study conducted pursuant to this section shall evaluate what is required for electrical utilities to integrate increased levels of renewable energy and emerging energy technologies while maintaining economic, reliable, and safe operation of the electricity grid in a manner consistent with the public interest. Studies shall be based on the balancing areas of each electrical utility. The commission shall provide an opportunity for interested parties to provide input on the appropriate scope of the study and also to provide comments on a draft report before it is finalized. All data and information relied on by the independent consultant in preparation of the draft study shall be made available to interested parties, subject to appropriate confidentiality protections, during the public comment period. The results of the independent study shall be reported to the General Assembly.

(B) The commission may require regular updates from utilities regarding the implementation of the state's renewable energy policies.

(C) The commission may hire or retain a consultant to assist with the independent study authorized by this section. The commission is exempt from complying with the State Procurement Code in the selection and hiring of the consultant authorized by this subsection.

HISTORY: 2019 Act No. 62 (H.3659), § 8, eff May 16, 2019.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72

FORM D – PROVISO REVISION REQUEST

NUMBER	NEW
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Cite the proviso according to the renumbered list (or mark "NEW").

TITLE	PSC: Santee Cooper Billing
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Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM	Administration Section 72
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	None
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Is this request associated with a budget request you have submitted for FY 2023-2024? If so, cite it here.

REQUESTED ACTION	Add
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Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED	The Office of Regulatory Staff
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>Santee Cooper expenditures are currently being funded with funds transferred from the Department of Administration at the beginning of FY2022 in accordance with Proviso 117.172. In FY2023, the Public Service Commission requested that any remaining funds be allowed to carry over to ensuing years for the Commission's use in reforming Santee Cooper - Proviso 72.2.</p> <p>This requested proviso would allow the continuation of funding for the Commission's Santee Cooper related expenditures once the current funding is exhausted by billing Santee Cooper directly for expenditures related to Santee Cooper. This proviso is similar to the one the Office of Regulatory Staff has to fund Santee Cooper expenditures.</p>
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Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

The fiscal impact will not occur until funds currently on hand for Santee Cooper related expenditures in the Commission's fund 34170002, Special Operating - Santee Cooper, have been exhausted.

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

(PSC: Santee Cooper Billing) The Public Service Commission is authorized, subject to the Public Utilities Review Committee's approval of the Public Service Commission's annual budget, to bill Santee Cooper for costs associated with its oversight of Santee Cooper performed pursuant to Act 90 of 2021 and any other relevant legislation, statute, or provision, provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in this act. Santee Cooper may reduce their remittance of revenues to the State by the amount paid to the Public Service Commission for oversight costs under this provision. This reduction shall be made in Santee Cooper's second semiannual remittance to the State.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Public Service Commission		
Agency Code:	R040	Section:	72

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	<p>Live Streaming with Skype and WebEx Capabilities for Commission Hearings, Business Meetings and Public Interviews for Qualified, Independent Third Party Consultants and Experts</p>
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	<p>Live Streaming with Skype and WebEx capabilities for Commission hearings, business meetings and public interviews for qualified, independent third-party consultants or experts saves business and citizens time as well as cost of traveling to and from the Commission office located in Columbia. The savings will vary depending on how far a business or citizen would have to travel to attend a hearing, business meeting or public interview.</p>
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark "X" for all that apply:</p> <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input type="checkbox"/>	Other								

METHOD OF CALCULATION	<p>The method of determining the savings would be at the rate of 62.5 cents per automobile mile plus the hourly rate of the business employee or citizen multiplied by the hours attending as well as traveling to and from the hearing/meeting.</p>
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	N/A
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	N/A
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

The travel cost burden to businesses and citizens is being eliminated so more businesses and citizens can listen to and participate in, as needed, hearings, business meetings and public interviews for qualified, independent third-party consultants or experts. The result is that more businesses and citizens can be informed and/or participate in Commission proceedings. The Commission used live streaming during Covid-19 in FY2020 and has continued to improve the virtual experience in the Commission's proceedings during FY2021 and FY2022. The Commission is continually seeking opportunities to enhance participation capabilities. The table below shows the number of virtual and audio participants in the Commission's proceedings in FY2022.

Public Service Commission Proceedings				
Virtual & Audio Participants				
Fiscal Year 2021-22				
		Hearings/Proceedings Before Commission(ers)		
Month	Proceedings Incl'g Forums & Workshops (Total virtual participants)	Witnesses/ Presenters	Counsel/ Rep's	Total

SUMMARY

July 2021	0	28	42	70
August 2021	5	18	93	116
September 2021	6	20	38	64
October 2021	0	16	56	72
November 2021	0	22	35	57
December 2021	0	0	0	0
January 2022	7	6	9	22
February 2022	6	1	2	9
March 2022	12	5	8	25
April 2022	4	4	8	16
May 2022	3	11	16	30
June 2022	35	1	0	36
Totals	78	132	307	517

In addition to increasing the number of off-site participants through voice and video technology, live streaming the Commission's proceedings has substantially increased the visibility of the Commission's business by allowing citizens and businesses to view proceedings as they occur and even watch at a later time. Live stream viewer traffic data for FY2020, FY2021 and FY2022 are shown in the table below:

PSC Livestream Viewer Traffic	Total Events (FY 2019-2020)	Total Events (FY 2020-2021)	Total Events (FY 2021-2022)
July	767	877	1,258
August	740	517	1,533
September	399	518	655
October	1,913	1,228	952
November	570	1,550	1,725
December	771	777	297
January	375	3,433	287
February	832	1,541	247
March	777	2,742	400
April	346	2,467	771
May	559	1,046	599
June	567	655	553
TOTAL	8,616	17,351	9,277

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?

Transportation and Regulatory Subcommittee Proviso Request Summary						
FY 22-23 Proviso #	Renumbered FY 23-24 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
72.1	72.1	PSC: Law Enforcement Officers	The Public Service Commission is authorized to hire law enforcement officers. Prior to Act No. 318 of 2006, the Commission pursuant to S.C. statute had the authority to maintain and manage a law enforcement department (Section 58-3-310 et seq).	FY2022 / 2 years	NO CHANGE	The Public Service Commission shall be authorized to hire law enforcement officers commissioned by the Governor. The commission may remove a law enforcement officer if it finds that the law enforcement officer is unfit for the position. Each law enforcement officer shall execute a bond with a licensed surety company in the amount of not less than ten thousand dollars. The bond may be individual, schedule, or blanket, and shall be approved by the Attorney General. The premiums on the bonds shall be paid by the commission from authorized funds.
72.2	72.2	PSC: Santee Cooper Funds Held by Public Service Commission	Proviso 117.172 in the Appropriations Act for FY2021-2022 transferred \$1,000,000 to the Public Service Commission for purposes of reforming Santee Cooper. The Public Service Commission requested a separate proviso in FY2022-2023 that allowed the balance remaining at fiscal year end in the PSC Operating Santee Cooper fund (34170002) to be carried forward to the next year and used for the same purpose.	FY2022 / 2 years	NO CHANGE	72.2 (PSC: Santee Cooper Funds Held by Public Service Commission) The balance of the funds transferred to the Public Service Commission by the Department of Administration, for the purpose of reforming Santee Cooper, shall remain available to the Public Service Commission for its continued reformation of Santee Cooper. The Public Service Commission is authorized to employ, through contract or otherwise, third-party consultants and experts in carrying out its duties for purposes of reforming Santee Cooper. The Public Service Commission is exempt from complying with the State Procurement Code in the selection and hiring of third-party consultants or experts authorized by this provision.
72.3	72.3	PSC: South Carolina Integration Study	The Public Service Commission is authorized to initiate an independent study to evaluate the integration of renewable energy and emerging energy technology into the electric grid for the public interest pursuant to S.C. Code Ann. Section 58-37-60. The results of the independent study shall be reported to the General Assembly and to the Governor.	FY2023 / 1 year	NO CHANGE	72.3. (PSC: South Carolina Integration Study) The Public Service Commission is authorized to initiate an independent study to evaluate the integration of renewable energy and emerging energy technology into the electric grid for the public interest pursuant to Section 58-37-60 of the 1976 Code. Prior to expending funds related to consultant engagement, the Public Service Commission will provide the Public Utilities Review Committee with justification for approval of expenditure. The results of the independent study shall be reported to Governor and the General Assembly.
	72.X	PSC: Santee Cooper Billing	Santee Cooper expenditures are currently being funded with other appropriations transferred from the Department of Administration at the beginning of FY2022 in accordance with Proviso 117.172. In FY2023, the Public Service Commission requested that any remaining funds be allowed to carry over to ensuing years for the Commission's use in reforming Santee Cooper - Proviso 72.2. This new requested proviso would allow the continuation of funding for the Commission's Santee Cooper related expenditures once the current funding is exhausted by billing Santee Cooper directly for expenditures related to the reformation of Santee Cooper. This proviso is similar to 73.10 (ORS: Santee Cooper Billing).		ADD	NEW (PSC: Santee Cooper Billing) The Public Service Commission is authorized, subject to the Public Utilities Review Committee's approval of the Public Service Commission's annual budget, to bill Santee Cooper for costs associated with its oversight of Santee Cooper performed pursuant to Act 90 of 2021 and any other relevant legislation, statute, or provision, provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in this act. Santee Cooper may reduce their remittance of revenues to the State by the amount paid to the Public Service Commission for oversight costs under this provision. This reduction shall be made in Santee Cooper's second semiannual remittance to the State.

Public Service Commission

South Carolina Renewable Energy Integration Study

Under

S.C. Code Ann. Section 58-37-60

Update for the

South Carolina House of Representatives

Transportation and Regulatory Budget Subcommittee

January 2023

Independent Study: Integration of Renewable Energy and Emerging Energy Technologies

SECTION 58-37-60. (A) The commission and the Office of Regulatory Staff are authorized to initiate an **independent study to evaluate the integration of renewable energy and emerging energy technologies into the electric grid for the public interest**. An integration study conducted pursuant to this section shall **evaluate what is required for electrical utilities to integrate increased levels of renewable energy and emerging energy technologies while maintaining economic, reliable, and safe operation of the electricity grid** in a manner consistent with the public interest. **Studies shall be based on the balancing areas of each electrical utility**. The commission shall provide an opportunity for interested parties to provide input on the appropriate scope of the study and also to provide comments on a draft report before it is finalized. All data and information relied on by the independent consultant in preparation of the draft study shall be made available to interested parties, subject to appropriate confidentiality protections, during the public comment period. The results of the independent study shall be reported to the General Assembly.

(B) The commission may require regular updates from utilities regarding the implementation of the state's renewable energy policies.

(C) **The commission may hire or retain a consultant to assist with the independent study** authorized by this section. The commission is exempt from complying with the State Procurement Code in the selection and hiring of the consultant authorized by this subsection.



A Grid Integration Study for Renewable Energy

A grid integration study analyzes the type, amount, timing, and geographic placement of renewable energy and energy storage resources (as well as other generation and transmission resources) necessary to achieve higher levels of renewable energy or specific renewable energy targets *reliably* and *cost effectively*.

Overview

- **What we promised.**
- **What we have done.**
- **What we have learned.**
- **What's next.**

What We Promised

- **Proposed study process:**
 - **Convene stakeholder group for introductory session and discussion – a workshop.**

Workshop Goal

- **To secure stakeholders' help in defining the *scope* of a renewable energy and emerging energy technology integration study.**

What We Promised

- **Proposed study process:**
 - **Convene stakeholder group for introductory session and discussion.**
 - **Ask stakeholders to nominate experts for inclusion on a Technical Advisory Team (TAT).**
 - **TAT meets to define the scope of the study and recommend a consultant.**
 - **Commission approves a consultant.**
 - **Consultant works with the TAT to complete the study.**
 - **Consultant presents study report to all interested parties.**

What We Have Done (So Far...)

- **Proposed study process:**
 - **Convene stakeholder group for introductory session and discussion.**
 - **Ask stakeholders to nominate experts for inclusion on a Technical Advisory Team (TAT).**
 - **TAT meets to define the scope of the study and recommend a consultant.**
 - **Commission approves a consultant.**
 - **Consultant works with the TAT to complete the study.**
 - **Consultant presents study report to all interested parties.**

What We Have Done (So Far...)

- **On August 25 and 26, 2022, the PSC conducted a renewable energy integration study workshop with interested stakeholders.**
 - **More than 50 people attended.**
 - **More than 30 stakeholder groups represented.**
 - **Held 4 panel discussions with 15 subject matter experts.**
 - **Result: Engaging discussions, excellent questions, and clever ideas and suggestions.**



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capa
3. Wh
4. Wh
Cost

House Transportation and Regulatory Budget Subcommittee



Priorities

- Energy Value Chain Asset Map
- Review of ~~the~~ federal laws I IJA and Inflation Reduction Act
- Creation of an Energy Transition or Resilience Coordinating Council

Priorities

Coal Retirement

- Model replacement resources and their location(s)
- Review Transmission Needs
- Guide for Taking Resources Offline and Best Practices for Replacing Retired Resources

Coal Replacement Transition

- Model Replacement Resources, including generation + transmission
- Include fuel cost risk
- EE/DSM - accessible to ALL South Carolina

> Best Practices for Analytical Tools to Make Optimal Choices to Provide Electricity

> Study must translate to a More Robust Strategy of where South Carolina is now where South Carolina is headed

- Best practices through studies
- Existing studies

> What has already been done

> Cooperative Study get more out of it South Carolina

> Strategic Places Biogas or Other Deep Renewables Added to

> Electrolyzer Tech for Grid Control

> Existing and Expanding Fuel Price Environment

> Hosting Capacity

Priorities

- Creation of a Comprehensive...

Scope Deliverables

Capacity & Expansion Capacity

Transmission

Production

Timeframe for

Feasible Energy Vendors

The Grid

Factors Moving

Capacity

ASHELY TEASEDEL
SC DEPARTMENT OF COMMERCE

BRADLEY CRAIG
SC DEPARTMENT OF COMMERCE

House Transportation and Regulatory Budget Subcommittee



House Transportation and Regulatory Budget Subcommittee



Battery Storage

- > EVs
- > UTILITY BALANCING AREAS
 - GENERATION
 - TRANSMISSION
 - RELIABILITY
 - MULTI-STATE ISSUE
- > Joint Dispatch
- > Affordability
- > CUSTOMER PARTICIPATION

SOLAR PV & RENEWABLES

- > RATE DESIGN & IMPACT ON CUSTOMER BEHAVIOR
- > ENERGY STORAGE
 - > HYDROGEN
 - CHEMICAL STORAGE
 - PUMPED HYDRO
 - > SMRS - WHEN?

> HOW TRANSPORTATION SECTOR WILL CHANGE

- ELECTRIC VS LIQUID & HYDROGEN
- > L-R DEMAND FOR ELECTRICITY
- > ELASTICITY OF DEMAND
- > C & I SHIFT TO RENEWABLE ENERGY (LOAD & TIMING)
- > RETENTION & ATTRACTION OF C&I

High Voltage

EDC

- > MET REPORT STUDY FOR SC
- > Best places to integrate renewable energy resources in the state
- > Financial Impact on transmission resulting from integrating more renewables: narrow parts of study - 11/13

ELIZABETH KRESS SULLIVAN
SC BIOMASS COUNCIL

House Transportation and Regulatory Budget Subcommittee

Questions You Can Help Us Answer

1. What primary concerns do you have when it comes to integration of renewable energy and emerging energy technologies into the South Carolina electric grid?
2. What result or product would you like to see from this study: increased energy diversification, economies of scale for growth capacity, energy reliability, or something else?
3. What is the appropriate scope of the study?
4. What type of study is best: 1) Capacity Expansion, 2) Production Cost, or 3) Power Flow?

Workshop

18



> State Plan—where should facilities be located

> How should the increase of renewables be regulated

> Smart grid and interconnecting resources

> Renewable energy maximum percentage

> High Voltage
AEDC

> METROFORM STUDY FOR SC.

> Best places to integrate renewable energy resources in the state

> Economic Impact on transition resulting from integrating more renewable resources in all parts of State - MAP

> SOLAR PV & RENEWABLES

> RATE DESIGN & IMPACT ON CUSTOMER BEHAVIOR

> ENERGY STORAGE

> Hydrogen

• CHEMICAL STORAGE

• PUMPED HYDRO

> SMRS - WHEN?

> HOW TRANSPORTATION SECTOR WILL CHANGE - ELECTRIC VS LIQUID & HYDROGEN

> L-R DEBATING FOR ELECTRICITY

> ELASTICITY OF DEMAND

> C & I SHIFT TO RENEWABLE ENERGY (LOAD & TIME)

> RETENTION OF CUSTOMER PARTICIPATION

> Battery Storage

> EVs

> UTILITY BALANCING AREAS

- GENERATION
- TRANSMISSION
- RELIABILITY
- MULTI-STATE ISSUE

> JOINT DISPATCH

• AFFORDABILITY

• CUSTOMER PARTICIPATION



ADEL NASIRI, Ph.D.
UNIVERSITY OF SOUTH CAROLINA

House Transportation and Regulatory Budget Subcommittee



> Cooperative Study to get more out of Hydro in South Carolina
 > Strategic Placement of Biomass or Other Dispatchable Renewables Added to the Grid
 > Electrolyzer Technology for Grid Control
 > Existing and Expanding Fuel Price Encouragement
 > Hosting Capacity

HAMILTON DAVIS
SOUTHERN CURRENT

BONNIE LOOMIS
E4 CAROLINAS

EDDY MO
COASTAL CONSERVATORY

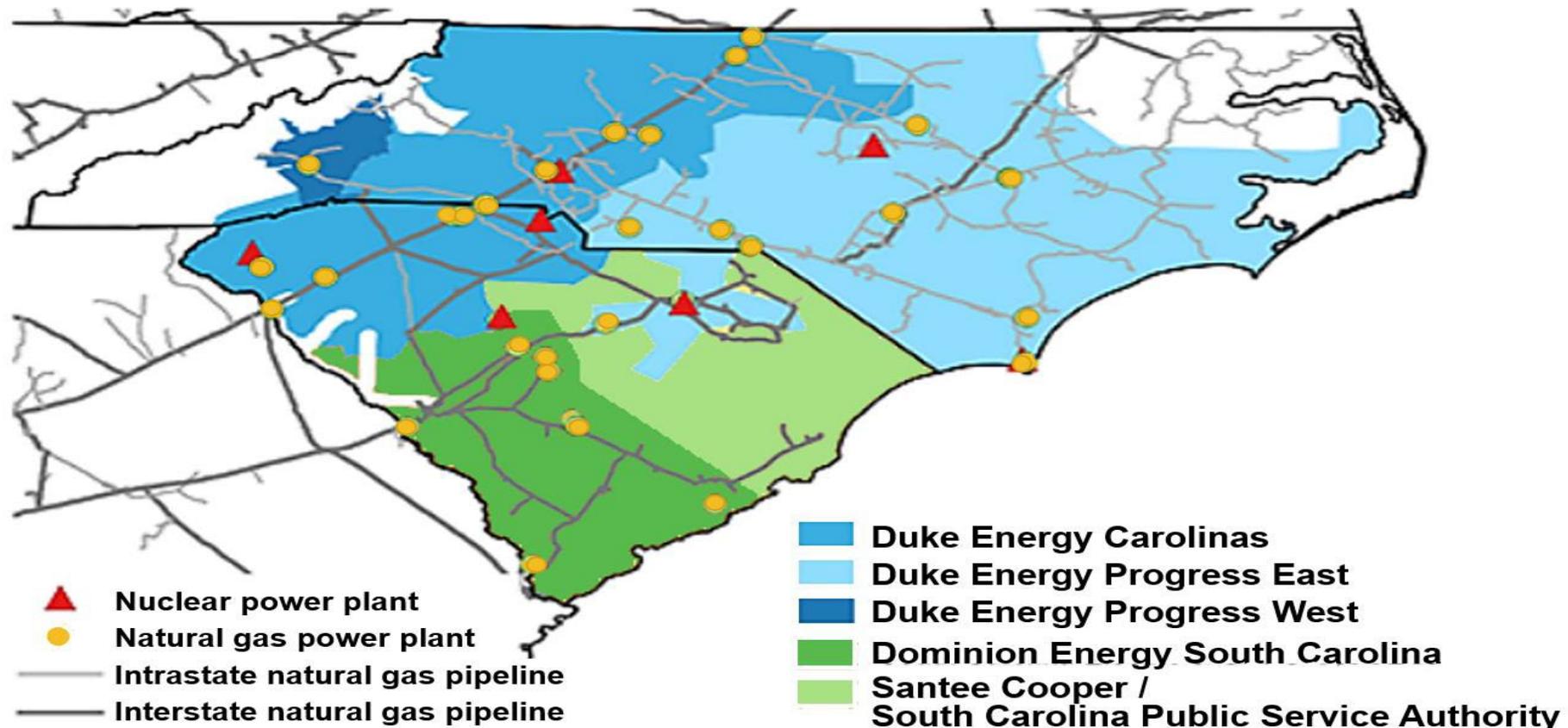
House Transportation and Regulatory Budget Subcommittee

What We Have Learned

- **Disruption of the energy industry in South Carolina.**
 - Retirement of coal-fired generation sources
 - Industries' clean energy goals
 - Accelerating adoption of EVs
 - Federal energy policy and financing opportunities
 - SC Electricity Market Reform Study
- **All of these factors – and others – demonstrate the need for a renewable energy and emerging energy technologies study.**

What We Have Learned

Study should reflect the uniqueness of each utility's system and the fact that some utilities' territories spans two states.



What We Have Learned

- **Study Characteristics:**
 - **High-level**
 - **Qualitative - No need initially to run computer simulations**
 - **Establishes a baseline using studies already conducted by utilities and other stakeholders.**
 - **Preserves options to pursue long-term energy solutions**

What We Have Learned

- **Study Characteristics:**
 - **Produces “best practices”:**
 - **Analytical tools for make optimal choices for providing electricity – “last responsible moment.”**
 - **Baseline for future studies.**
 - **Recommendations for replacing outgoing generation resources in short- and intermediate-term.**
 - **Consultant and TAT work with utilities and stakeholders to identify studies that already have been completed.**

What We Have Learned

- **Study topics should include:**
 - **Energy storage**
 - **Electric vehicles (EVs)**
 - **Utility balancing areas**
 - **Joint dispatch – utilities and renewable energy providers**
 - **Rate affordability and rate design**
 - **Commercial and Industrial shift to renewable energy**
 - **Economic development: Recruiting and retention of industry**
 - **How much renewable energy can be injected reliably and where**
 - **Transmission and distribution upgrades required**
 - **Appropriate regulation of a system with increased level of renewables**

What We Have Learned

- **Suggested Deliverables:**
 - **Hosting Capacity Maps – SC Code Ann. 58-27-460 (E)(2)**
 - **Utilities' Expansion Capacity - Generation, Transmission, and Distribution**
 - **Energy Efficiency and Demand Side Management Programs – a hedge against rising fuel costs**
 - **Repository of energy resources and assets**
 - **Transmission study**
 - **Practices SC should use to maximize federal program funding**
 - **Recommendations on creating a comprehensive state energy policy**

What We've Done (So Far)...

- **Using stakeholder recommendations and workshop participation, invited experts to join the technical advisory team (TAT).**
- **Commissioners voted to extend invitations to people to participate on the Technical Advisory Team on November 3, 2022, in Order No. 2022-755 (ND-2022-30-E).**
- **23 people accepted.**

Accepted Invitation to Join TAT

- **Dr. Adel Nasiri, University of South Carolina**
- **Alex Butler, SC Office of Resilience**
- **Chris Wagner, SC Public Service Authority**
- **Eddy Moore, Coastal Conservation League**
- **Mark Svrcek, Electric Power Cooperative, Inc.**
- **Dr. Johan Enslin, Clemson University**
- **Steven Chriss, Wal-Mart**
- **Lisa Perry, Wal-Mart**
- **Rob Bedenbaugh, SC Department of Transportation**
- **Justin Powell, SC Department of Transportation**
- **David Butcher, Piedmont Municipal Power Association**
- **Bryan Stone, Lockhart Power Company**
- **Pandelis Xanthakos, Dominion Energy South Carolina**
- **Mike Smith, Electric Cooperatives of South Carolina**
- **Hamilton Davis, Southern Current**
- **Mike Lavanga, Nucor Steel**
- **Joel Ledbetter, SCAMP**
- **Chris Huber, Office of Regulatory Staff**
- **Stanley Ihekweazu, South Carolina State University**
- **Susie Shannon, SC Department of Commerce**
- **John Frick, Electric Cooperatives of South Carolina**
- **Caleb Bryant, Central Electric Cooperative, Inc.**
- **Representative, Duke Energy Carolinas/Duke Energy Progress**

Request for Information

- **On September 26, 2022, the Department of Administration released a request for information (RFI) from potential consultants.**
- **Responses to RFI due: October 17, 2022.**
- **Received 5 responses.**

Five Responses to RFI

Respondent	Estimated Cost
A	\$50,000 to \$100,000
B	\$175,000 to \$225,000
C	\$600,000
D	\$75,000 to \$300,000
E	\$260,000

Descriptive Statistics on RFI Responses

Respondent	Min	Mid	Max
A	\$ 50,000	\$ 75,000	\$ 100,000
B	\$ 175,000	\$ 200,000	\$ 225,000
C		\$ 600,000	
D	\$ 75,000	\$ 187,500	\$ 300,000
E		\$ 260,000	
	Midpoint Average	\$ 264,500	
	Midpoint Median	\$ 200,000	
	Midpoint Max	\$ 600,000	
	Midpoint Min	\$ 260,000	
	Range of Midpoints	\$ 340,000	

What's Next

- **Once funding for the study is approved, invite the members of the TAT to convene.**
 - **Select a chair.**
 - **Specify scope of work.**
 - **Screen potential consultants.**
 - **Recommend consultant to Public Service Commission.**
- **Public Service Commission votes on consultant.**
- **Consultant and TAT work together to complete the study.**
- **Consultant presents study results to all interested parties.**

Thank you!

Questions?