



South Carolina Office of Regulatory Staff

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Legislation

- Act 62:** SC Energy Freedom Act
- Act 56:** Electric Co-op Act
- Act 135, Section 11:** Santee Cooper
- Act 142, CARES Act:** SC Broadband

FY 20-21 Savings to Consumers

Piedmont Natural Gas RSA	\$8,345,601
Dominion Energy SC RSA	\$2,303,687
PUI Rate Case	\$4,619,105
Dominion Energy SC Fuel	\$5,549,000
TOTAL	\$20,817,393

New Proviso Request

The ORS is requesting a new proviso to bill Santee Cooper for oversight activities associated with recent legislation.

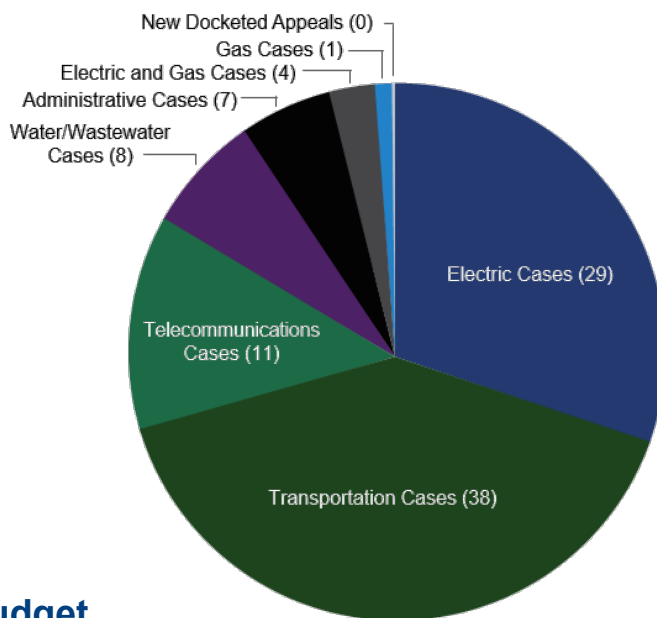
Highlights

Marketing and Communication: COVID-19 Resource Page, How the Rate Case Process Works in SC, Case Handouts, Social Media Launch

Consumer Protection and Assistance: Solar PSA, Act 62 Consumer Protection Regulations, Energy Saver Tool

Notable Cases: Dominion Energy SC Rate Case Settlement, Carolina Water Service (Riverkeeper litigation expenses), Duke Energy Carolinas/Duke Energy Progress (Coal Ash)

New Docketed Cases FY 20-21



Budget

The ORS is seeking authorization as a result of the transfer of \$2M in other funds for Santee Cooper oversight. ORS seeks to hire eight additional FTEs and may retain consultants to support the agency's additional oversight duties regarding Santee Cooper resulting from Act 90 of 2021 and other related legislation.

The ORS will be seeking authorization for additional federal funds for the Energy Office later in the budget process. Funding distribution is still in process with US Department of Energy, with additional guidance anticipated within the first quarter of 2022.



ORS DEPARTMENTS

Administration
Audit
Energy Policy
Information Services
Legal
Safety, Transportation & Telecommunications
Utility Rates & Services

Riverbanks Zoo and Gardens Solar Installation

SOUTH CAROLINA OFFICE OF REGULATORY STAFF



The ORS represents consumers of investor-owned utilities (utilities) in South Carolina before the Public Service Commission of South Carolina (PSC). The PSC is the state agency that sets utilities' rates. The ORS must look at the impact to the consumer and utilities' continued investment in reliable and high-quality services.

The ORS participates in matters before the PSC for electric, natural gas, transportation, water and wastewater utilities, and most telecommunications providers. The ORS is automatically part of rate requests that go before the PSC and also participates in cases arising from the Utility Facility Siting Act. This Act requires PSC certification before any electric utility begins construction of any "major facility," which is defined as electric generation facilities and transmission lines with a voltage of 125 kilovolts or more.

The ORS audits and inspects investor-owned utilities and provides limited oversight of electric cooperatives.

The ORS administers the leasing program for solar panels in South Carolina.

CONSUMER SERVICES

The ORS serves as a mediator between consumers and utilities in South Carolina, as well as between consumers and the electric cooperatives. Consumer Services resolves a vast majority of complaints through an informal investigation process, avoiding a more costly formal hearing at the PSC. Through consumer education, Consumer Services helps consumers make educated choices and understand their rights and obligations.



ORS Consumer Services staff member shares information with consumers at a senior citizens' event.

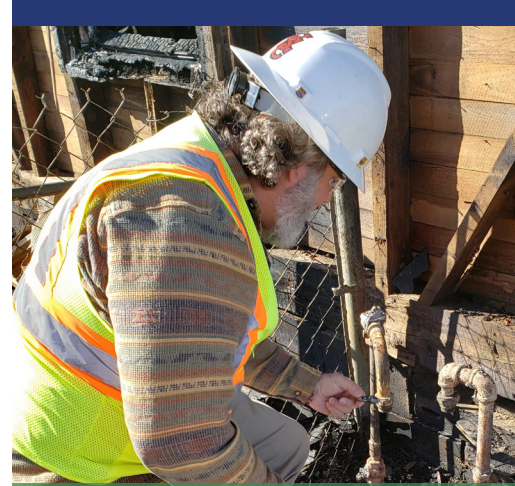


SAFETY

The ORS has shared oversight with federal agencies for railroad and natural gas pipeline safety in South Carolina.

The ORS serves as the contact for assisting utilities in the restoration of energy systems during an emergency or disaster and providing information to the SC Emergency Management Division.

The ORS works closely with electric and natural gas utilities as well as fuel suppliers to see that 1) their energy supply is maintained 2) damages are repaired and 3) services are restored as quickly as possible.



ORS Pipeline Safety staff member inspects a natural gas pipeline.



TRANSPORTATION

The ORS has regulatory oversight of the licensing – including enforcement of insurance and rates – of motor carriers of:

- Passengers (including taxis, charter buses, limousines, non-emergency medical transportation, and transportation network carriers such as Uber and Lyft)
- Household Goods Moved within South Carolina



ORS Telecommunications staff members share information with a consumer.



TELECOMMUNICATIONS

The Telecommunications Department oversees the South Carolina Universal Service Fund that provides financial support for telecommunications services. The ORS also manages the Dual Party Relay Fund that provides telephone access to the deaf, hearing- and speech-impaired.



THE ENERGY OFFICE

The Energy Office serves as the main energy-planning organization for South Carolina. The goal of the Energy Office is to advance South Carolina's energy strategy and policy through education and outreach.

The Energy Office promotes the efficient use of all energy sources. In addition, the Energy Office encourages energy efficiency, renewable energy, and clean transportation through a broad range of initiatives that include:

- Developing the State Energy Plan
- Providing Technical Assistance
- Offering Financial Assistance
- Conducting Education and Outreach
- Maintaining an Energy Data Resource



ORS Energy Office staff member discusses energy efficiency with a student at a local STEAM Festival.



Broadband Budget Summary: FY 2021-2022 Appropriation Act

SECTION 73.6 - 73.7 - R060 - OFFICE OF REGULATORY STAFF

The Fiscal Year 2021-2022 Appropriations Act establishes the basis for broadband expansion in South Carolina by creating the Office of Broadband Coordinator within the South Carolina Office of Regulatory Staff (ORS), expanding mapping efforts, and extending funding opportunities to companies that deploy broadband in specific areas of need.

➔ Office of Broadband Coordinator

The Office of Broadband Coordinator will serve as the central broadband planning body for South Carolina and will coordinate with federal, state, regional, local, and private entities, to the extent practicable, to encourage the continued development of access to broadband. The Office of Broadband Coordinator will serve as a central resource to collect and publish information about state and federal programs to fund broadband expansion and will help maximize resources by coordinating with other state and federal programs.

➔ Broadband Planning

Through a collaborative stakeholder process, the Office of Broadband Coordinator will identify challenges to expediting broadband access. A report will be provided to the General Assembly with recommendations on actions that can be taken to promote broadband access.

➔ Funding for Broadband Infrastructure Projects

Broadband infrastructure projects, including those that were approved for funding pursuant to Act 142 of 2020, but not constructed by December of 2020, will be completed through the Broadband Infrastructure Program. Priority will be given to unserved homes, businesses, schools, health-care facilities, and other institutions in rural communities and communities across South Carolina with a lack of access to broadband.

➔ Broadband Mapping

The Office of Broadband Coordinator will collect information from broadband providers and other entities to update the State Broadband Map. All information provided will be confidential, proprietary, and a trade secret and subject to exemption from disclosure under state and federal law. The information is not subject to the Freedom of Information Act, except in the form of a map that does not reveal provider-specific information.

On an annual basis, entities providing broadband service or middle-mile infrastructure in South Carolina will provide deployment data to the Office of Broadband Coordinator. If an entity does not provide this data on an annual basis, it may be disqualified from state funding opportunities for the current fiscal year. Each year, the Office will compile this information, analyze, and update statewide broadband deployment information.

AT A GLANCE

- Establishes the Office of Broadband Coordinator within the ORS
- Creates a central resource for information on state and federal programs to fund broadband expansion
- Maximizes resources by coordinating with other state and federal programs
- Directs the ORS to convene a collaborative stakeholder process for broadband planning and deliver a report to the General Assembly
- Provides funding to expand broadband infrastructure through the Broadband Infrastructure Program
- Introduces a framework for collecting the information necessary to update the State Broadband Map and safeguards broadband provider information



UPDATE- OCTOBER 2021

Broadband Infrastructure Funding in South Carolina

To date, the ORS has developed and implemented 3 broadband infrastructure grant programs. These 3 programs include a total of 126 projects in 33 counties throughout the state. These programs represent a total broadband investment, including company match, in South Carolina of almost \$112 million.

Grant Program	Status	Start Date	End Date	Number of Projects	Number of Counties	Number of Companies*	Grant Funds Awarded	Broadband Investment in SC (with match)
Act 142	Completed	August 2020	December 2020	76	28	14	\$16,728,421	\$35,267,820
RBGP	In Progress	March 2021	October 2022	34	19	16	\$29,669,889	\$59,399,774
Proviso 73.6	In Progress	July 2021	March 2022	16	11	8	\$8,661,678	\$17,323,357
TOTALS TO DATE				126	33	20	\$55,089,988	\$111,990,951

* rolls subsidiaries into parent company

Act 142- Broadband Infrastructure Program

Governor McMaster signed Act 142 on June 25, 2020, authorizing broadband infrastructure expansion through federal funds disbursed to South Carolina through the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act). With these funds, the ORS launched the Broadband Infrastructure Program in August 2020 (along with a mapping effort and an online learning initiative).

Rural Broadband Grant Program (RBGP)

In January 2021, the Joint Bond Review Committee approved the allocation of \$30 million from the SC Department of Commerce for a competitive grant program to be developed and implemented by the ORS to expand broadband access in rural parts of South Carolina.

2021-2022 Appropriations Act

Broadband Infrastructure Program- Continued

Proviso 73.6 of the FY 2021-2022 Appropriations Act continues the funding for broadband infrastructure projects originating under Act 142.

Office of Broadband Coordinator

Proviso 73.6 also authorizes the ORS to establish the Office of Broadband Coordinator to serve as the central broadband planning body for the state.

To date, the ORS has hired a Director, a Deputy Director, and a Senior Geo Spatial Data Scientist to staff the Office of Broadband Coordinator.

Future Projects

Starlink Pilot Program

The Office of Broadband Coordinator is coordinating with the SC Department of Education to acquire ten angel (sponsored) subscriptions to be installed in 10 locations throughout the state. The subscriptions will include all equipment, professional installation and 12 months of service for each household.

American Rescue Plan Act

The accelerateSC taskforce published the Final Report and Recommendations for Expenditure of Federal Funds on August 24, 2021. The resource component recommends an allocation of over \$490 million of American Rescue Plan Act funds to the ORS for broadband expansion.

Coronavirus Capital Projects Fund

The Coronavirus Capital Projects Fund allows for investment in high-quality broadband infrastructure, as well as other initiatives. The current allocation to South Carolina is \$188 million.

National Telecommunications and Information Administration

In August 2021, the ORS applied for a broadband infrastructure grant through the National Telecommunications and Information Administration. If selected, these grant monies will fund six projects totaling over \$15 million. The ORS partnered with the SC Department of Education, the SC Department of Commerce, Prisma Health, and six Internet Service Providers on a proposal to bring fiber and rebuild the digital infrastructure of six main street communities: Denmark, Holly Hill, New Ellenton, Ridge Spring, Salley, and Saluda.

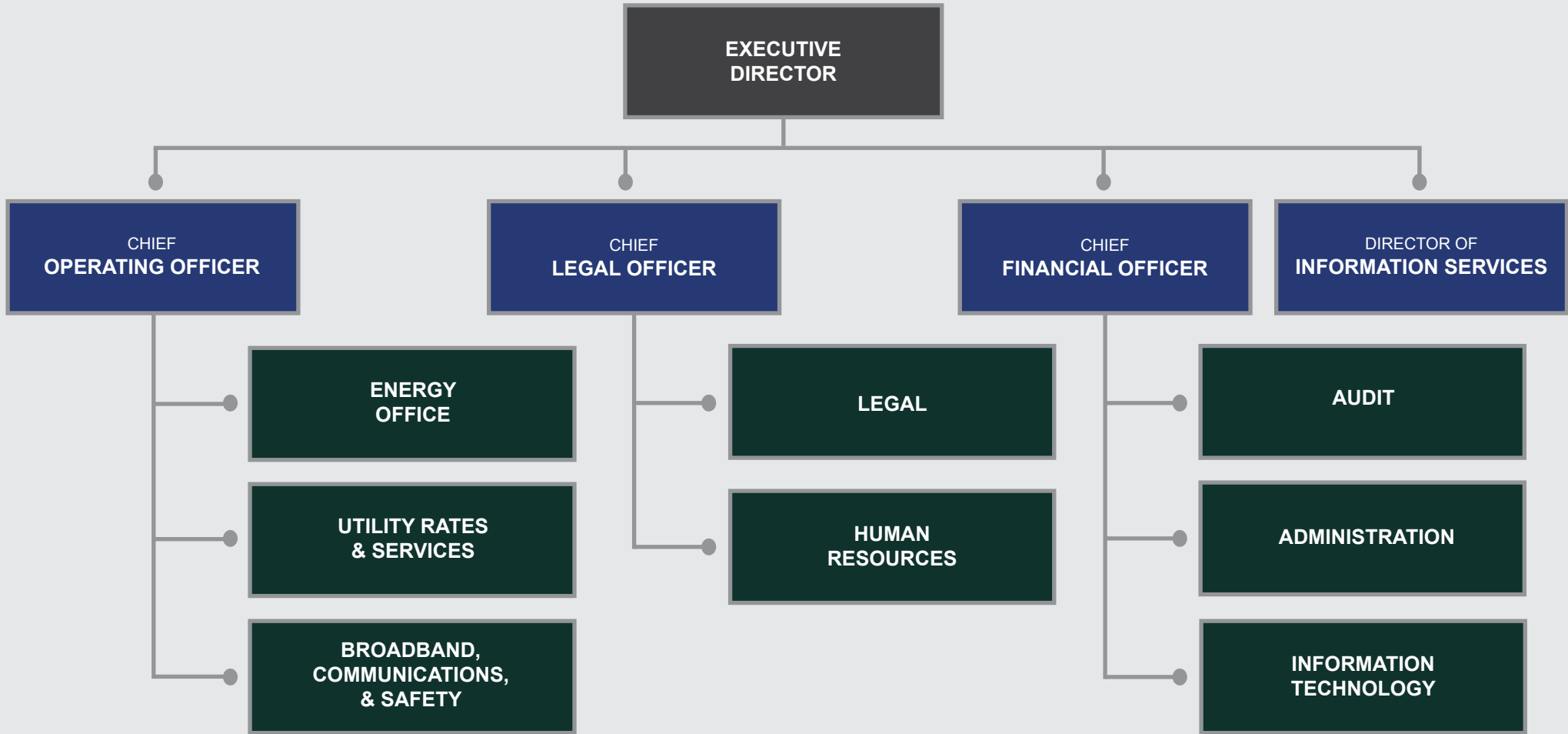
More information can be found at ORS.SC.GOV/Broadband





OFFICE OF REGULATORY STAFF

ORGANIZATIONAL CHART



FTE's

AUTHORIZED

ORS: 74
 Energy: 18
 Broadband: 10
 Total: 102

FILLED

ORS: 65
 Energy: 11
 Broadband: 5
 Total: 81

VACANT

ORS: 9
 Energy: 7
 Broadband: 5
 Total: 21

REQUESTED

Total: 8
(Santee Cooper)



A Note from the Executive Director



What a difference a year makes! A year ago, I described how the ORS had seamlessly carried out the agency’s mission across all areas, despite the unprecedented challenges of the COVID-19 pandemic.

COVID-19 continues to be a factor in how we conduct our work, but once again we have not allowed it to be a limitation. In FY 20-21, the ORS continued to serve the best interest of consumers across all programmatic areas and in our caseload before the Public Service Commission of South Carolina (PSC) — and we also assumed new responsibilities elaborated on in this report.

The most exciting of these new responsibilities is the expansion of internet in South Carolina. As I write this letter, our new Broadband Office is open, and its Director and staff are working hard to make broadband accessible to more South Carolinians.

The opening of the Broadband Office, on July 1, 2021, is the culmination of a year of intense and innovative work by many at the ORS, along with partnering agencies, broadband providers, and communities across the state. In the first half of the fiscal year, the ORS successfully administered the broadband portion of the federal Coronavirus, Aid, Relief, and Economic Security Act (CARES Act). Through tireless work by staff, we were able to achieve both programmatic and budgetary success by the deadline of December 31, 2020, and I was able to announce the successful completion of three broadband initiatives specified by the CARES Act. Through these initiatives— the Online Learning Initiative, Broadband Infrastructure Program, and Mapping and Planning efforts— more South Carolinians have access to reliable, high-speed broadband internet to enhance distance learning, telehealth, and other needs.

Of the \$50 million authorized to spend under the CARES Act, the total spent was approximately \$38.4 million; the approximately \$11.6 million remaining was returned to the Executive Budget Office to fund other programs.

Our progress in broadband continued in the second half of the fiscal year with an infrastructure grant program focusing on some of South Carolina's neediest counties and funded by a \$30 million allocation from the South Carolina Department of Commerce. To date, the ORS has issued Notices to Proceed to 17 internet service providers in 19 counties for almost \$30 million in projects to expand broadband availability in rural areas of need. All projects are scheduled to be completed by October 31, 2022.

Beyond broadband, the ORS had a very productive year full of new initiatives and innovations. I invite you to read this report and learn about the many ways the ORS kept consumers protected, connected, and informed.

As we look ahead to FY 21-22, several challenges are on the horizon including new or expanding responsibilities arising from legislation. The recently passed Act 90 gives the ORS new regulatory duties regarding Santee Cooper. Our duties under Act 56, requiring compliance audits of South Carolina's 22 electric cooperatives, will continue with a focus on other parts of the Act not dealt with in FY 20-21. The Broadband Accessibility Act gives the ORS responsibilities related to the leasing by electric cooperatives and Santee Cooper of excess fiber capacity to broadband service providers; its implementation will require continued attention as broadband infrastructure expands throughout the state. Cases under the South Carolina Energy Freedom Act in FY 21-22 will focus on encouraging adoption of solar/renewable energy and will require our participation, along with a great deal of preparation. We are also working to help ensure consumers are fairly treated in compliance with new consumer-protection regulations.

I am very proud of the ORS. I have learned that, no matter the challenge, the ORS rises to meet it. We are steadfast and resilient when it comes to fulfilling our mission for consumers.



Nanette S. Edwards
Executive Director

AGENCY NAME:	South Carolina Office of Regulatory Staff		
AGENCY CODE:	R060	SECTION:	073

AGENCY’S DISCUSSION AND ANALYSIS

COVID-19 was still a major factor during this review period. While contending with ongoing challenges from the pandemic, the ORS successfully fulfilled all aspects of the agency’s mission and assumed additional major responsibilities — such as the expansion of broadband in South Carolina and monthly compliance reviews of Santee Cooper required by Act 135, among others. This narrative covers selected highlights from FY 20-21.

Notable Cases and Savings for Consumers

Dominion Energy SC Rate Case Settlement. 2020-125-E.

Two days into FY 21-22, Dominion Energy South Carolina, Inc. (DESC), the ORS, the South Carolina Department of Consumer Affairs (the Consumer Advocate), and intervenors entered into a comprehensive settlement agreement regarding DESC’s application to adjust its rates for electric service.

The settlement agreement was the result of lengthy and complicated negotiations between the parties during a six-month pause in the hearing on the application. The ORS requested the pause during the COVID-19 pandemic after the hearing began in January 2021. With the consent of DESC and the other parties, the Public Service Commission of South Carolina (PSC or the Commission) voted unanimously to grant the requested pause.

All intervenors to the case entered into the agreement except for CMC Steel South Carolina, which indicated it did not oppose the agreement. Intervenors who signed the agreement include the Consumer Advocate, AARP, Frank Knapp, Jr., the United States Department of Defense and all other federal executive agencies, Sierra Club, the South Carolina Coastal Conservation League, the Southern Alliance for Clean Energy, the South Carolina Energy Users Committee, and Walmart, Inc.

The average residential customer’s monthly bill increased by \$1.81 (an approximate 1.46 percent increase), representing an approximate 82 percent decrease from the initial request. In its application to increase rates, DESC sought approval to increase the average residential customer’s bill by \$9.68.

Other benefits to consumers in the settlement agreement include, but are not limited to:

- A fixed Basic Facility Charge that remains under \$10 for residential customers under Rate 8. The fee currently is \$9, and the settlement amount is \$9.50;
- DESC agrees not to file for another general rate case before July 1, 2023, such that new rates will not be effective prior to January 1, 2024, except where necessary due to unforeseen extraordinary economic or financial conditions which may include, but not be limited to, changes in tax rates;
- DESC agrees to double the annual commitment to \$1.5 million to Energy Share in 2021 and 2022, \$500,000 of which will be used to support small general service customers. This annual commitment will be funded by Dominion Energy Shareholders and therefore the Company will not seek recovery from customers;
- DESC commits to give up to \$15 million from Dominion Energy Shareholders to be used to give many customers with arrearages a clean slate and \$15 million from Dominion Energy Shareholders to fund a combination of energy-efficiency upgrades and critical health and safety repairs that may be required for a home to receive energy efficiency upgrades; and

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- A stakeholder process to examine an electricity affordability program for DESC’s low-income customers and address the need for legislation to implement such a program.

Originally, DESC had sought an overall revenue increase of \$178 million and a return on equity of 10.25 percent. The settlement agreement allows for a net increase of \$35.6 million and a 9.5 percent return on equity. The \$35.6 million net increase is achieved, in part, through a rider accelerating the return to customers of \$99.5 million in unprotected property-related Excess Deferred Income Tax as a result of the Tax Cuts Jobs Act passed in 2018. The rider will remain in place until the full balance is depleted, regardless of any change to the federal tax rate that may occur in the future or any general rate proceeding filed by DESC.

The Commission issued an Order approving the settlement agreement on August 16, 2021.

Palmetto Utilities, Incorporated (PUI). 2019-281-S

Palmetto Utilities, Inc. (PUI) filed an application for a rate increase in the fall of 2019 seeking, among other things, to increase customers’ monthly sewer bills from \$52.10 to \$66.62, an almost 28 percent increase. The matter was originally scheduled to be heard in late April 2020 but was ultimately heard over July 13 and 14, 2020. PUI waived the statutory deadlines set forth in S.C. Code Section 58-5-240 and voluntarily stayed the deadlines of the proceeding due to the pandemic. The matter was further continued to accommodate the parties’ ongoing efforts of settlement negotiations.

The pandemic added additional challenges to the highly contested proceeding – the public night hearings were held virtually, with participants calling in to offer their testimony. The merits hearing was also held virtually with Commissioners, counsel for the parties, and the witnesses all appearing via video conference. During the two virtual public night hearings, the PSC heard from many PUI customers who voiced their concerns over the impact of the requested rate increase and the unfairness of a flat rate for all customers instead of a volumetric rate.

Prior to the merits hearing, PUI reached an agreement with Intervenor Lisa Levine which resulted in PUI making an annual \$50,000 donation for the next three years to Wateree Community Actions to assist PUI’s customers with bill payments.

The day before the merits hearing was to begin, PUI entered into a comprehensive stipulation with the ORS that resolved all issues between the two parties. The stipulations contain many provisions that greatly benefit PUI’s customers, with a three-year rate freeze, a return to customers of \$2,032,146 related to the Tax Cuts and Jobs Act, and a rate increase that is a fraction of what PUI originally requested. For the first year, the rate is \$54.93 and thereafter \$59.87. The parties submitted proposed Orders to the PSC on July 29, 2020, and a final Order was issued on August 20, 2020. Savings to consumers is **\$4,619,105**.

DESC Fuel. 2021-2-E

The ORS entered into a stipulation and settlement agreement in the DESC Fuel Adjustment Clause case. The ORS identified an error in the Company’s filing resulting in a potential increase to customers of approximately **\$5,549,000**. Through negotiations with the Company and other parties, a settlement agreement was reached in which the Company would not seek to recover this additional amount in this annual fuel proceeding, thereby resulting in these savings to customers. In addition, while other factors may also come into play in determining the residential customer rate, the newly established fuel factor for a residential customer – 2.523 (¢/kWh) – would increase the average monthly bill of a Rate 8 residential customer using 1,000 kWh per month from \$122.31 to approximately \$123.90, a net increase of approximately \$1.59 or 1.30 percent.

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Rate Stabilization Act (RSA) Annual Reviews. The ORS filed its reports with the PSC on September 1, 2020 for both the Piedmont Natural Gas (PNG) 2020 RSA and the DESC 2020 RSA; both reports covered the 12-month period ending March 31, 2020.

PNG. 2020-007-G

PNG’s calculation of an increase in revenue requirement totaled \$12,446,419. The ORS reached a settlement with PNG resulting in annual savings to ratepayers of **\$8,345,601**.

DESC. 2020-006-G

DESC’s calculation of an increase in revenue requirement totaled \$8,630,682. The ORS reached a settlement with DESC resulting in annual savings to ratepayers of **\$2,303,687**.

Cumulative Savings.

From the agency’s inception through June 30, 2021, ORS efforts have resulted in **516** settlements, agreements, and contested cases that generated savings to consumers.

Savings by Fiscal Year
(Rounded to the nearest thousand)

FY 04-05	\$63,356,000
FY 05-06	\$95,475,000
FY 06-07	\$59,794,000
FY 07-08	\$114,662,000
FY 08-09	\$147,692,000
FY 09-10	\$198,992,000
FY 10-11	\$233,461,000
FY 11-12	\$405,436,000
FY 12-13	\$83,097,000
FY 13-14	\$175,000,000
FY 14-15	\$45,983,000
FY 15-16	\$30,816,000
FY 16-17	\$69,388,000
FY 17-18	\$28,736,000
FY 18-19	\$158,850,000
FY 19-20	\$14,520,000
FY 20-21	\$20,817,000
TOTAL	\$1,946,075,000

Consumer Services

Consumer Services supports consumers to arrange installment payments, extensions to payment due dates, manageable security deposits, and access to community financial assistance resources. Staff worked with consumers to recover funds due to erroneous charges, refunds of deposits, unauthorized charges, incorrect rates being charged, or disputes about charges.

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In FY 20-21, Consumer Services fielded **1,487** complaints and inquiries from consumers and recovered **\$253,146** on their behalf (approximately \$127,000 of which are annually recurring recoveries). Two large recoveries for consumers included:

\$82,800: Consumer Services investigated Blue Granite Water Company's (BGWC) AMI meter (smart meter) installation settings. The results of the investigation revealed overcharges for several Lake Wylie area commercial accounts. The accounts were corrected, which resulted in customer reimbursements totaling \$82,800.

\$14,405: Consumer Services investigated a high water-bill complaint for a Lake Wylie commercial account served by BGWC. The investigation revealed an overcharge due to a metering issue and resulted in a credit of \$14,404.99 to the customer.

As part of its consumer education outreach, Consumer Services distributed **42,400** publications and promotional materials. This includes a mailout of 5,100 that would have been sent in late spring of 2020; however, due to the remote working environment at that time, the spring mailout was delayed until July 2020.

Broadband

During the prior fiscal year when the COVID-19 pandemic began, it became clear that South Carolina was lacking internet access, particularly in its rural areas and among the most vulnerable populations impacted by COVID-19. The pandemic brought to the forefront the greater need for internet service.

Administration of the CARES Act. Act 142 authorized the ORS to expend up to \$50 million to address broadband needs through federal funds disbursed to South Carolina pursuant to the federal "Coronavirus Aid, Relief, and Economic Security Act" (CARES Act).

This effort to address broadband needs had three components: online learning, mapping, and infrastructure (phase 1) initiatives. Under the broadband portion of Act 142, the ORS was directed to do the following:

- 1) Secure a vendor for the development of a broadband statewide county-by-county mapping plan
- 2) Secure a vendor for the development of a statewide broadband infrastructure plan. The infrastructure plan was to identify and prioritize communities in South Carolina where access to broadband had impeded the delivery of distance learning, telework, and telehealth for the most vulnerable population of South Carolinians impacted by COVID-19. The plan was required to identify the role that public and private broadband operators could play in addressing South Carolina's broadband plans.
- 3) Create, in consultation with the South Carolina Department of Education (SCDOE) and the Commission on Higher Education, an online learning initiative by procuring mobile hotspots and monthly service through December 2020 for distribution to a minimum of 100,000 households.

Within approximately six months, these three broadband initiatives under Act 142 were successfully concluded. Impressive results achieved by the end of 2020 included:

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- **The Online Learning Initiative:** This initiative procured over 100,000 mobile hotspots and wired internet service for qualifying student households in school districts and institutions of higher learning statewide.
- **Mapping and Planning:** The ORS launched the state’s Broadband Map in December 2020, creating an accessible platform for the public to see where broadband is – and isn’t – available in South Carolina.
- **The Infrastructure Program (Phase 1):** This initiative helped to expand broadband access to almost 20,000 structures in the state; specifically, 18,574 households were passed under the program, meaning they were eligible to subscribe to services.

Success Leads to Success – Infrastructure Project Phase 2. In March of 2021, the SC Joint Bond Review Committee approved the allocation of \$30 million from the SC Department of Commerce to the ORS to administer an infrastructure grant program in 14 of the state’s neediest counties, and up to \$7 million could be used in adjacent counties. With assistance from the SC Revenue and Fiscal Affairs Office, the ORS produced a map showing areas of need in the 14 counties and 15 adjacent counties.

As of this writing (July 2021), the ORS has issued Notices to Proceed to 17 internet service providers in 19 counties for almost \$30 million in projects to expand broadband availability in rural areas of need in South Carolina.

The first construction reports are due to the ORS by October 15, 2021, and all projects are scheduled to be completed by October 31, 2022.

Broadband Office. Approximately one year after the ORS began its work with broadband under Act 142, the Office of Broadband Coordinator opened at the ORS on July 1, 2021, giving the agency permanent responsibility for the expansion of internet in South Carolina. The ORS anticipates much progress in the coming fiscal year.

Innovation in Allendale County. A discussion of the broadband-expansion effort thus far would not be complete with highlighting the innovative project led by the ORS in Allendale County — one of South Carolina’s most impoverished areas. The ORS partnered with SCETV, SCDOE, University of South Carolina (USC) Salkehatchie, Allendale County School District, Allendale Hampton Jasper Regional Library, Town of Allendale, and Revolution D, Inc. to launch a pilot program allowing free Wi-Fi to students and/or the public together with residential broadband service in Allendale County. Project partners worked with Palmetto Rural Telephone Cooperative to get fiber backhaul and with DESC to get electricity to the SCETV towers located in Allendale County. In this groundbreaking pilot program, community fixed wireless broadband service was established in just 61 days where no internet existed before.

In addition to free public Wi-Fi hubs, the pilot project allows for access to residential wireless broadband services. In February 2021, devices were provided to 20 households in Allendale County to pilot the new wireless technology. These households will provide speed-test data (download and upload speeds) and help inform future wireless broadband deployment across the state.

On May 7, 2021, the ORS hosted a press conference in Allendale to celebrate the successful completion of this project. More than 200 people attended the press conference. The keynote speaker was U.S. House Majority Whip James Clyburn. The event was recorded and livestreamed by SCETV.

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SC Equipment Distribution Program

The South Carolina Equipment Distribution Program (SCEDP), housed within the ORS, helps consumers who are deaf or have hearing or speech challenges by providing them with specialized telephone equipment. In FY 20-21, SCEDP continued to expand outreach around the state including distribution of **87,170** publications and printed materials. The program received and reviewed **660** applications; approved **598** applications; and conducted installations for **37** SCEDP clients, which included training on how to use the specialized telephone equipment.

In April 2021, the SCEDP program resumed installations and outreach after being on hold due to COVID-19 restrictions. During the height of the pandemic, SCEDP staff were able to deliver new phone equipment to a quarantined assisted living facility so that a 104-year-old resident could stay connected to her family.

Energy Office

Financial Support. The Energy Office promotes energy efficiency, renewable energy, and clean transportation among public and private entities and nonprofits through four low-interest loan/grant programs: ConserFund, ConserFund Plus, mini-grants, and the Energy Efficiency Revolving Loan (EERL) program. The Energy Office has provided financial support in a variety of ways:

- Awarded two ConserFund loans totaling \$1,194,000
- Completed three ConserFund Plus loans resulting in projected lifetime savings to borrowers of over \$3.5 million
- Provided public entities and nonprofits with seven mini-grants totaling \$70,000 to spur innovation and save over \$666,000 over the useful life of projects
- Retrofitted 15 buildings comprising 664,799 square feet
- Approved approximately \$83,000 in energy-efficiency tax credits
- Note: No tax credit applications were submitted for renewable energy or transportation in this program year. No EERL loans were awarded during this reporting period, due to impacts of COVID-19.

State Energy Plan. During FY 20-21, the Executive Director and Energy Office staff continued to work toward addressing top-tier State Energy Plan recommendations as part of the Phase III implementation efforts. The Executive Director will continue to lead the Energy Office in further developing the State Energy Plan in the coming fiscal year.

1) Energy Efficiency Roadmap. The Energy Office completed its Energy Efficiency Roadmap initiative, which had launched in October 2019 with the objective of reviewing and reassessing energy efficiency recommendations resulting from the 2016 Energy Plan that had not yet been implemented, as well as identifying new opportunities and developing next steps.

The Energy Efficiency Roadmap report was released in January 2021 by the Duke Nicholas Institute. The report summarizes the collaborative work of the stakeholders during the initiative and details 20 recommendations which resulted from the stakeholder engagement process.

The Energy Office is proceeding with developing individual “blueprints” of steps to achieve each recommendation and is conducting additional stakeholder engagement pertaining to certain high-priority recommendations.

AGENCY NAME:	South Carolina Office of Regulatory Staff		
AGENCY CODE:	R060	SECTION:	073

2) Transportation: Lead by Example. A key component of the 2016 State Energy Plan was to lead by example to advance clean transportation. Since becoming the first state agency to purchase an electric vehicle (EV) in 2020, the Energy Office has been collecting data on vehicle use, maintenance, and costs to serve as a case study and assist other state agencies interested in procuring EVs. Among other initiatives to advance clean transportation are the following:

- Earned official re-designation and continued to support the work of Palmetto Clean Fuels (PCF), a US Department of Energy Clean Cities Coalition
- Coordinated with SC Department of Transportation to make recommendations to US Department of Transportation on Alternative Fuels Corridors
- Launched an incentive program for EV charging station owners to standardize signage and pavement markings as part of the Plug in SC initiative
- Organized and delivered PCF webinars and ride-and-drives

Safety

Pipeline Safety. Pipeline Safety received its 2019 annual scores from the Pipeline and Hazardous Materials Safety Administration (PHMSA). For the program evaluation, which looks at the effectiveness of the ORS Pipeline Safety program to conduct inspections and enforcement, the ORS received a 94 out of 95 (approximately 99 percent). The one-point deduction was because the ORS does not issue civil penalties. On the progress report, the agency received a 48 out of 50 (96 percent) because the civil penalty amounts in South Carolina statutes do not match the federal level of civil penalty amounts.

Through its damage-prevention initiative, ORS Pipeline Safety makes educating third-party contractors on safe-digging practices a top priority. In addition, ORS Pipeline Safety is a leader in the SC Pipeline Emergency Response Initiative (SC PERI) that trains firefighters to respond to natural gas-related incidents. These efforts will continue in FY 21-22.

ESF 12 Emergency Response – Colonial Pipeline. As a stark reminder of the interconnectedness of cyber security with our nation’s fuel supply, the ORS received notification on May 7, 2021 that Colonial Pipeline was shutting down its operations due to a cyber-attack. The ORS immediately notified the SC Emergency Management Division. In addition, the ORS began communicating with its fuel partners to 1) gather information and 2) see if they had any needs. The ORS was able to coordinate so that waivers for suppliers were provided by the SC Department of Agriculture to allow the use of different blends of gasoline, thereby mitigating the impact to the gasoline supply. The ORS also was in communication with Gas Buddy, who shared their data on fuel availability.

South Carolina did sustain gasoline outages and shortages due to panic buying and hoarding. Ultimately, Colonial Pipeline paid \$4.4 million in digital currency as ransom, and by May 12, 2021, Colonial Pipeline announced that it would resume operations. Colonial Pipeline provides 70 percent of the petroleum products to South Carolina; the remaining 30 percent is provided by a combination of Plantation Pipeline and through the port of Charleston. South Carolina consumes 2.6 billion gallons of motor fuel annually.

Gas Buddy Partnership for Emergency Activations. During the Colonial Pipeline incident, it became apparent that having up-to-date information on the petroleum market is essential. The ORS and Gas Buddy created an innovative contractual agreement, executed on July 2, 2021, whereby Gas Buddy provides the ORS daily update meetings during emergency activations. When not in an activation mode, Gas Buddy will meet with the ORS monthly and provide updates on the market. As of this writing (July 2021), the first monthly non-emergency briefing has occurred.

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Administration

Budget. While managing the \$50 million broadband CARES Act funding, ORS leadership successfully managed the remaining ORS budget of approximately \$15.4 million through careful monitoring of expenses on a regular basis. Successes include, but are not limited to:

- FY20 Annual Agency Audit. The SC Office of the State Auditor completed the audit of the ORS accounting records related to the FY20 agreed-upon procedures. The audit was successful. The final audit report for FY20 was published in early FY 21-22 (July 14, 2021), and there were zero findings.
- Audit of 2020 USF (Universal Service Fund) Financial Statements. The auditor issued a “clean” opinion, thereby indicating a successful audit. The objective of the audit is to express an independent opinion as to whether the financial statements of the Fund are fairly presented. The ORS is administrator of the Fund; the SC Universal Service Fund provides monetary support for telecommunications services in South Carolina.

Agency Staffing. ORS executive leadership continues to make organizational changes that better position the ORS for the future. Since May of 2019, several pieces of legislation passed that created new responsibilities for the ORS. The Executive Director has strategically hired new staff, as well as promoted from within the agency, to ensure that the agency can excel in carrying out all its responsibilities. During FY 20-21, 12 new hires were made; one of these was a newly created position for a broadband coordinator.

At the time of this writing, ORS leadership is actively working on staffing and looking carefully at the organization to ensure the ORS can fulfill all aspects of its mission. In addition to preparing for the Office of the Broadband Coordinator, the ORS is planning for responsibilities related to Santee Cooper under Act 90.

ORS leadership recognizes that, as the workload at the ORS increases, there is a need to work both harder and smarter. Because of new initiatives in FY 20-21, many staff members’ positions were successfully retooled to accommodate the agency’s needs.

In planning for FY 21-22, ORS leadership continues to assess the agency’s core functions in relation to the skillset of the staff, particularly considering the agency’s new responsibilities. The Executive Director, along with Human Resources and executive management, actively engage in planning for recruitment of new hires, succession planning, staff training, and career development and career paths for employees.

The expansion of ORS programs, including new programs such as broadband, has also increased the need for marketing and outreach. The expansion of the Information Services department with the addition of a Community Outreach and Communications Manager, hired from within the agency near the end of FY 19-20, has proved effective in fully supporting the customer-focused mission and the additional areas in which the ORS now has a presence.

AGENCY NAME:	South Carolina Office of Regulatory Staff		
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Looking Ahead

Major pieces of legislation passed by the General Assembly in 2019, 2020, and 2021 will shape the work of the ORS in years to follow.

In addition to a continuing heavy caseload for the agency, including upcoming cases under Act 62 and anticipated rate cases, some of the already-known opportunities and challenges on the horizon for FY 21-22 are:

Launch of the Broadband Office. The opening of the Office of Broadband Coordinator within the ORS on July 1, 2021 brings the immediate challenge of hiring the expertise necessary to fulfill the mission of the program – expanding internet service in South Carolina.

Implementation of Act 90. Act 90 identifies the regulatory duties and responsibilities of the ORS with respect to the South Carolina Public Service Authority (Santee Cooper). The ORS will receive notice of proposed rate adjustments and is vested with the authority to review electric rates established by Santee Cooper. The ORS will have the opportunity to review the proposed rate schedules and written findings that support rate adjustments. The ORS may submit comments to Santee Cooper's Board of Directors, which will be presented for consideration as rates are determined. The legislation requires Santee Cooper to submit an annual pricing report to the ORS. The ORS may inspect Santee Cooper's facilities and examine and make copies of reports and other similar information. The Act provides that a proceeding will be held in any court of competent jurisdiction in ORS' name where it appears that Santee Cooper is failing or omitting to meet its requirements under law. The ORS will be responsible for reviewing Santee Cooper's annual update and provide a report to the Commission concerning its reasonableness. The ORS' responsibilities will take effect on January 1, 2022.

Continued implementation of Act 56. Act 56 requires the ORS to determine compliance with bylaws for the 22 electric cooperatives serving the state. In early calendar year 2021, the ORS completed a compliance audit of Section 7, related to trustee compensation and benefits, the first provision of the Act to be examined. In FY 21-22, the ORS will begin its compliance audits under the remaining sections of Act 56 for all 22 cooperatives. By the end of calendar year 2021, it is expected that the ORS will have completed reviews for all 22 cooperatives addressing the major requirements of Act 56. However, the frequency and scope of the compliance reviews may be adjusted by the Executive Director based on the results of prior reviews.

Continued implementation of Broadband Accessibility Act. Passed in the fall of 2020, the Broadband Accessibility Act is designed to increase access to broadband to promote economic development, job creation, telehealth, and educational advancement. The law provided the ORS with new ongoing responsibilities.

This Act takes advantage of current infrastructure by using electric easements with overhead and underground facilities. Electric cooperatives can lease their facilities to current telecommunications providers, provide broadband service through an affiliate of their electric cooperative, or a combination of these two options.

Fiscal Year 2020–2021

AGENCY NAME:	South Carolina Office of Regulatory Staff		
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The ORS has the authority to make inspections, audits, and examinations of electric cooperatives relating to compliance with this law, and the PSC has jurisdiction to resolve disputes.

The Act also allows Santee Cooper to lease, to a third party, excess fiber capacity that is used to provide broadband service. The lease must charge rates, fees, and other charges on a nondiscriminatory basis. The Act requires Santee Cooper to submit its terms and conditions to the ORS for its review and comment.

Continued implementation of the SC Energy Freedom Act (Act 62). Passed in May 2019, Act 62 covers a wide range of topics including avoided cost and power purchase agreements (PPA), voluntary and community solar, net metering, integrated resource plan (IRP), integration study, interconnection, and consumer protection. In FY 21-22, the Commission may further explore integration studies to evaluate the integration of renewable energy and emerging technologies into the electric grid for the public interest.

Continued implementation of Consumer-Protection Regulations on Solar. Act 62 directed the ORS to develop consumer-protection regulations applicable to the leasing of renewable energy generation facilities. Act 62 also directed the South Carolina Department of Consumer Affairs to develop consumer-protection regulations for the sales of renewable energy generation facilities. The process of promulgating these regulations began last fiscal year and concluded near the end of FY 20-21: Receiving no opposition, the ORS' proposed regulations passed by default on May 12, 2021 and became effective on May 28, 2021.

These regulations are intended to provide a consumer-protection framework to govern the practices of lessors and protect consumers, in part by requiring lessors to provide appropriate disclosures to help consumers make well-informed decisions prior to entering a lease for a renewable energy generation facility and by providing a formal complaint process for dispute resolution. Under ORS' regulations, depending on the nature of the violation, a variety of remedies and penalties are provided such as voiding the lease agreement, monetary fines assessed on the lessor, or suspension of the lessor's operations.

OFFICE OF REGULATORY STAFF
BUDGET vs. ACTUAL
as of November 30, 2021

EXPENSE	FY 2022		FY 2021	
	Budget	Actual (11/30 FYTD)	Budget	Actual
Budget Summary by Expenditure Category:				
Personnel	\$7,279,723	\$2,605,537	\$6,389,723	\$5,067,310
Other Operating Expenses	\$4,415,402	\$779,688	\$2,643,602	\$1,926,790
Dual Party Relay	\$4,165,696	\$735,618	\$4,165,696	\$2,587,626
Employee Benefits	\$2,606,018	\$948,512	\$2,267,818	\$1,859,882
Office of Regulatory Staff Total Budget	\$18,466,839	\$5,069,355	\$15,466,839	\$11,441,607
Budget Summary By Program:				
Legacy ORS Operating Budget	\$9,427,997	\$3,416,790	\$9,427,997	\$7,632,639
Energy Office Operating Budget	\$1,873,146	\$563,870	\$1,873,146	\$1,221,342
Dual Party Budget	\$4,165,696	\$735,618	\$4,165,696	\$2,587,626
Broadband Budget	\$3,000,000	\$353,077	\$0	\$0
Office of Regulatory Staff Total Budget	\$18,466,839	\$5,069,355	\$15,466,839	\$11,441,607
FTE Summary by Program	Authorized		Authorized	
Legacy ORS	74.00		74.00	
Energy Office Operations	18.00		18.00	
Broadband	10.00			
	102.00		92.00	

**Office of Regulatory Staff
Carryforward Cash Balances
at June 30, 2021**

	<u>Fund</u>	<u>Ending Balance</u>
ORS:	30350000	\$ 5,596,467
Operating Revenue		
 Energy Office:		
Special Operating	34170000	\$ 253,362
Diamond Shamrock	47150000	\$ 203,723
Oil Overcharge Stripper Well Litigation	47440000	\$ 1,936,516
Total Energy Office		<u>\$ 2,393,601</u>

The ending cash balances above reflect our agency's operating funds. This is our agency's closest equivalent to an agency with General Fund carryforward.

FY 22-23 Prioritized Budget Request Summary

R060 SC Office of Regulatory Staff

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	Recurring	Santee Cooper Oversight	Review and oversight related to Act 90 of 2021; request for additional personnel and consulting services.			\$ 2,000,000.00		\$ 2,000,000.00	8.00			8.00
2								0				0.00
3								0				0.00
4								0				0.00
5								0				0.00
6								0				0.00
7								0				0.00
8								0				0.00
9								0				0.00
10								0				0.00
11								0				0.00
12								0				0.00
13								0				0.00
14								0				0.00
15								0				0.00
16								0				0.00
17								0				0.00
18								0				0.00
19								0				0.00
20								0				0.00
TOTAL BUDGET REQUESTS				\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	8.00	0.00	0.00	8.00

Agency Name:	Office Of Regulatory Staff		
Agency Code:	R060	Section:	73



Fiscal Year FY 2022-2023

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2022-2023, 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 2022-2023, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2022-2023, 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 2022-2023, 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:	Mark A. Rhoden	(803) 737-1108	mrhoden@ors.sc.gov
SECONDARY CONTACT:	Pamela F. Spires	(803) 737-0409	pspires@ors.sc.gov

I have reviewed and approved the enclosed FY 2022-2023 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:	Office Of Regulatory Staff
Agency Code:	R060
Section:	73

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	Santee Cooper Oversight	0	0	2,000,000	0	2,000,000	0.00	0.00	8.00	0.00	8.00
TOTALS			0	0	2,000,000	0	2,000,000	0.00	0.00	8.00	0.00	8.00

Agency Name:	Office Of Regulatory Staff		
Agency Code:	R060	Section:	73

FORM B1 – RECURRING OPERATING REQUEST

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

TITLE	Santee Cooper Oversight
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$0</p> <p>Federal: \$0</p> <p>Other: \$2,000,000</p> <p>Total: \$2,000,000</p>
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What is the net change in requested appropriations for FY 2022-2023? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	8.00
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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 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"/>	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	This relates to goal 1.1.1 in the Strategic Plan - ORS provides information to consumers regarding public utilities.
--------------------------------	--

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	The funds would support employee salaries and consulting fees associated with the oversight of Santee Cooper.
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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

Act 90 of 2021 requires The Office of Regulatory Staff to perform certain review and oversight activities related to Santee Cooper (Public Service Authority). This request for additional personnel (8FTE) and consulting services are needed for the effective oversight and reforming of Santee Cooper.

This request is associated with a proviso request which would allow The Office of Regulatory Staff, with the permission of Public Utilities Review Committee (PURC), to bill Santee Cooper for this oversight.

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:	Office Of Regulatory Staff		
Agency Code:	R060	Section:	73

FORM D – PROVISO REVISION REQUEST

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

TITLE	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	New
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Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST	B.1
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Is this request associated with a budget request you have submitted for FY 2022-2023? If so, cite it here.

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

OTHER AGENCIES AFFECTED	Santee Cooper (Public Service Authority) - Santee Cooper would be required to pay costs incurred by The Office of Regulatory Staff for the oversight required pursuant to Act 90 of 2021.
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Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION	<p>The Office of Regulatory Staff is authorized 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 proviso, provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in Part 1A, Section 73 of this Act</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

This could increase other funds revenue for ORS by up to \$2 million.

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**

73.scb (Santee Cooper Billing) The Office of Regulatory Staff is authorized, subject to Public Utilities Review Committee's approval of the Office of Regulatory Staff'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 proviso, provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in Part 1A, Section 73 of this Act.

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

Agency Name:	Office Of Regulatory Staff		
Agency Code:	R060	Section:	73

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings Plan
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AMOUNT	\$90,000
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	None
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	Office of Broadband Coordinator
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What programs or activities are supported by the General Funds identified?

SUMMARY	<p>While a reduction of this amount may change the form of some outreach efforts and result in more virtual participation in meetings with stakeholders rather than in-person gatherings, no significant impact on the function of the Office is expected. In the event of a General Fund reduction, the office will first seek additional ways to cost share with the Other Funded portions of the agency, then consider reducing travel and deferring one time purchases.</p>
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

AGENCY COST SAVINGS PLANS

Shift outreach/digital awareness to lower cost event types and reduce event travel: \$15,000

Cost share with the Other Funded portion of the agency: \$40,000

Defer one-time purchases: \$25,000

Reduce travel costs by grouping site visits in regions where feasible: \$10,000

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Transportation and Regulatory Subcommittee

Proviso Request Summary

FY 21-22 Proviso #	Renumbered FY 22-23 Proviso #	Proviso Title	Short Summary	FY of Proviso Introduction/ # of years in budget	Recommended Action	Proviso Language
73.1	73.1	Transportation Fee Refund			NO CHANGE	The Transportation Department of the Office of Regulatory Staff is hereby authorized to make refunds of fees which were erroneously collected.
73.2	73.2	Assessment Certification			NO CHANGE	Office of Regulatory Staff shall certify to the Department of Revenue the amounts to be assessed to cover appropriations in this section as follows: (1) the amount applicable to the assessment on public utility, telephone utility, radio common carrier and electric utility companies as provided for by Section 58-4-60, Code of Laws of 1976, (2) the amount to be assessed against gas utility companies as provided for in Section 58-5-940, Code of Laws of 1976, (3) the amount to be assessed against electric light and power companies as provided for in Sections 58-4-60 and 58-27-50, Code of Laws of 1976, and (4) the amount to be covered by revenue from motor transport fees as provided for by Section 58-23-630, and other fees as set forth in Section 58-4-60, Code of Laws of 1976. The amount to be assessed against railroad companies shall consist of all expenses related to the operations of the Railway subprogram of the Agency's Transportation Division, to include the related distribution of salary increments and employer contributions not reflected in the related subprogram of this act as set forth in Section 58-4-60, Code of Laws of 1976.
73.3	73.3	Assessment Adjustments			NO CHANGE	If the Office of Regulatory Staff determines that a person or entity subject to Title 58 of the 1976 Code has been assessed an amount greater than that authorized by Sections 58-4-60, 58-3-100 and 58-3-540, the Office of Regulatory Staff shall, at its discretion: (a) refund the person or entity the amount of over collection using funds from the current fiscal year; (b) refund the person or entity the amount of over collection using any unexpended funds from the prior fiscal year; (c) credit the amount the person or entity will be assessed in the next fiscal year for the amount of over collection; or (d) any combination of these. The Office of Regulatory Staff, when determining the amount to be assessed in the next fiscal year, may take into consideration any underpayment or overpayment by a person or entity during a given year. Any unexpended funds from revenue generated pursuant to this section may be retained and carried forward and expended for the same purposes.
73.4	73.4	SSEB Annual Dues			NO CHANGE	The annual dues of the Southern States Energy Board shall be paid from the Radioactive Waste Operating Fund.
73.5		Energy Efficient Manufactured Homes			DELETE	The Energy Efficient Manufactured Homes Incentive Program shall be extended into the current fiscal year and the Office of Regulatory Staff Energy Office shall administer the program, including incentives for qualifying taxpayers, in the same manner as it was administered in the prior fiscal year.
73.6	73.5	Office of Broadband Coordinator			NO CHANGE	(A) From funds appropriated for this purpose, there is established the Office of Broadband Coordinator within the Office of Regulatory Staff to serve as the central broadband planning body for the State and to coordinate with federal, state, regional, local, and private entities, to the extent practicable, to encourage the continued development of access to broadband in the State. (B) The Office of Broadband Coordinator shall convene a collaborative stakeholder process to identify challenges to expediting broadband access and shall provide a report to the General Assembly with recommendations for which legislative, regulatory, or other governmental actions are appropriate to promote broadband access throughout the State. (C) Funds appropriated to the Office of Broadband Coordinator for broadband infrastructure shall be used to continue to fund the Broadband Infrastructure Program, including the completion of those broadband infrastructure projects that were approved for funding pursuant to Act 142 of 2020 but not constructed by December of 2020. Expansion of broadband infrastructure shall emphasize services to rural communities and communities with a lack of access to broadband. The Office of Broadband Coordinator shall prioritize infrastructure expansion that will make high-speed broadband available to homes, businesses, schools, health care facilities, and other institutions in unserved areas across South Carolina. (D) The Office of Broadband Coordinator shall serve as a central resource to collect and publish information regarding federal and state programs to fund broadband expansion, and to the extent practicable, coordinate resources such that both state and federal resources are efficiently maximized. (E) The Office of Broadband Coordinator may use assistance from state and federal agencies or from private organizations and industry to accomplish the purposes of this provision. Unexpended funds at the end of the prior fiscal year shall be carried forward and expended in the current fiscal year by the Office of Regulatory Staff for the same purposes.
73.7	73.6	SC Broadband Map			NO CHANGE	(A) (1) From funds appropriated, the Office of Broadband Coordinator shall contact the appropriate entities to provide information necessary to compile the county-by-county broadband mapping plan required by Section 10 of Act 142 of 2020 showing the location and capability of broadband facilities throughout the State. In order to facilitate the provision of information necessary to this task, all information provided by a broadband service provider or other entity providing information for the purpose of creating a South Carolina broadband map shall be maintained by the Office of Broadband Coordinator and any other agency as confidential, proprietary, and a trade secret as defined in Section 30-4-40 of the 1976 Code, and subject to exemption from disclosure under state and federal law. The information shall not be subject to disclosure under Chapter 4, Title 30 of the 1976 Code, except in the form of a map where information that could be used to determine provider-specific information about the network of the broadband service provider or other providing entity is not disclosed. (2) Except as otherwise provided in this provision, such broadband provider-specific information shall not be released to any person other than to the broadband service provider or other entity providing information, employees of the Office of Broadband Coordinator, agents designated to assist in developing the South Carolina broadband map, entities contracting with the Office of Broadband Coordinator, and other state agencies administering funds for broadband deployment without express permission of the submitting broadband service provider or other entity providing information. Such information shall be used solely for the purposes stated under this provision. The Office of Broadband Coordinator shall ensure that any such agents, entities, or agencies with whom the information is shared are aware of the confidential nature and restricted purposes for which the information may be used and that any such agents or entities that are not state agencies execute an appropriate nondisclosure agreement protecting the information from public disclosure before receiving the information. (B) Entities providing broadband service or middle-mile infrastructure in South Carolina shall, on an annual basis, provide to the Office of Broadband Coordinator deployment data in a format specified by the office to provide the most accurate and granular representation of currently available broadband infrastructure. These same entities, when they serve residential or business customers, shall also provide the type of technology deployed together with the sustainable download and upload speeds available at each serviceable location. Entities failing to provide such data on an annual basis may be disqualified from state funding opportunities for the current fiscal year. Annually, the office shall compile this information, analyze, and update statewide broadband deployment information. (C) Any unexpended funds at the end of the prior fiscal year shall be carried forward and expended in the current fiscal year by the Office of Regulatory Staff for the same purposes.
73.8	73.7	Agency Head Salary Commission Purview			NO CHANGE	The Executive Director of the Office of Regulatory Staff shall be under the purview of the Agency Head Salary Commission and subject to all provisions related to the agency heads covered by commission.
73.9		Natural Gas Rate Stabilization Act Study			DELETE	From the funds appropriated and/or authorized to the Office of Regulatory Staff in the current fiscal year, the office shall study the Natural Gas Rate Stabilization Act of 2005 and make recommendations to the General Assembly by December 31, 2021. The study shall include, but is not limited to, examining and recommending any changes to the Natural Gas Rate Stabilization Act of 2005 and determining if the provisions of the Act are in the best interests of the ratepayers and support the provision of safe, reliable, high quality utility service.
	73.8	Santee Cooper Billing			ADD	The Office of Regulatory Staff is authorized, subject to PURC's approval of the Office of Regulatory Staff'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 proviso, provided such costs do not exceed the amounts authorized for the oversight of Santee Cooper in Part 1A, Section 73 of this Act.