**South Carolina General Assembly**

122nd Session, 2017-2018

**S. 724**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Campbell

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Companion/Similar bill(s): 4304

Introduced in the Senate on May 11, 2017

Currently residing in the Senate Committee on **Judiciary**

Summary: Offshore wind resources provisions

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

5/11/2017 Senate Introduced and read first time ([Senate Journal‑page 4](file:///h:\sj\20170511.docx))

5/11/2017 Senate Referred to Committee on **Judiciary** ([Senate Journal‑page 4](file:///h:\sj\20170511.docx))

View the latest [legislative information](http://www.scstatehouse.gov/billsearch.php?billnumbers=724&session=122&summary=B) at the website

**VERSIONS OF THIS BILL**

[5/11/2017](file:///p:\pprever\2017-18\724_20170511.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 58‑37‑60 SO AS TO PROVIDE THAT “OFFSHORE WIND RESOURCE DEVELOPMENT ACTIVITIES” MEANS INITIATIVES UNDERTAKEN BY AN ELECTRICAL UTILITY FOR THE LONG‑TERM ADVANCEMENT OF ECONOMIC DEVELOPMENT AND CLEAN ENERGY BENEFITS RESULTING FROM OFFSHORE WIND, TO PROVIDE THAT THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION MAY ADOPT PROCEDURES THAT ENCOURAGE ELECTRICAL UTILITIES SUBJECT TO THE JURISDICTION OF THE COMMISSION TO INVEST IN OFFSHORE WIND RESOURCE DEVELOPMENT ACTIVITIES THAT PROVIDE COST RECOVERY FOR ENERGY SUPPLIERS AND DISTRIBUTORS WHO INVEST IN OFFSHORE WIND RESOURCE DEVELOPMENT ACTIVITIES THAT ARE REASONABLY EXPECTED TO RESULT IN ECONOMIC DEVELOPMENT FROM THE MANUFACTURING AND DEPLOYMENT OF OFFSHORE WIND.

Whereas, South Carolina is well suited to meet the workforce and infrastructure needs related to offshore wind‑energy development along the East Coast and such development would create long‑term, well‑paying jobs for the community; and

Whereas, the thirty‑three wind energy manufacturing facilities currently operating in South Carolina employ over 1,100 people, generate $530 million of output annually in the State, and support 1,797 indirect and induced jobs statewide; and

Whereas, the Clemson University Restoration Institute’s “Wind‑Energy Supply Chain Survey and Offshore Wind Economic Impact Study” determined that the installation of a 1,000 megawatt wind farm will have a vast economic impact on the State, particularly in the ten‑year construction phase; and

Whereas, Clemson University’s Wind‑Turbine Drivetrain Testing Facility in North Charleston is one of a kind and the largest in the world and is well positioned to serve a central role in the further development of a wind‑energy industry hub for South Carolina, attracting manufacturers; and

Whereas, South Carolina’s shallow‑water offshore wind resource is the second largest of the East Coast states and represents a long‑term economic investment opportunity, as well as a long‑term opportunity for in‑state energy production; and

Whereas, Santee Cooper has demonstrated leadership in offshore wind assessment through buoy and SODAR projects collecting wind data in partnership with Coastal Carolina University, and through designing an offshore meteorological platform for further data collection; and

Whereas, offshore wind energy is a domestic source of energy shielded from hostile foreign interests. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 37, Title 58 of the 1976 Code is amended by adding:

“Section 58‑37‑60. (A) For purposes of this section, ‘offshore wind resource development activities’ means initiatives undertaken by an electrical utility for the long‑term advancement of economic development and clean‑energy benefits resulting from offshore wind.

(B) The South Carolina Public Service Commission may adopt procedures that encourage electrical utilities subject to the jurisdiction of the commission to invest in offshore wind resource development activities.

(C) These procedures must:

(1) provide cost recovery for energy suppliers and distributors who invest in offshore wind resource development activities that are reasonably expected to result in economic development; and

(2) allow energy suppliers and distributors to recover costs and obtain a reasonable rate of return that is comparable to that associated with construction of new traditional generating facilities on their investment in an offshore wind facility of less than seventy‑five megawatts in nameplate capacity.

(D) In considering any application for approval of cost recovery under this act, the commission must not approve an application without making findings that approval of the application is reasonably expected to result in the development of energy resources that benefit South Carolina and are in ratepayers’ interest considering:

(1) economic development benefits for residents within the State;

(2) impacts to utility revenue requirements, rates, and resource mix; and

(3) environmental impacts.

(E) Offshore wind resource development activities undertaken by an electrical utility may include only:

(1) offshore wind potential studies;

(2) a demonstration project of less than seventy‑five megawatts in nameplate capacity developed in collaboration with regional electrical utility partners or other electrical utility partners of this State;

(3) utility transmission and distribution system improvements associated with a demonstration wind project;

(4) regional initiatives that include out‑of‑state partnerships for data‑gathering activities related to future offshore wind deployment; and

(5) partnership initiatives with colleges and universities.

(F) Nothing in this section is meant to require an electrical utility subject to the jurisdiction of the commission to invest in offshore wind resource development activities.”

SECTION 2. This act takes effect upon approval by the Governor.

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