

NO. 32

**JOURNAL**  
**OF THE**  
**SENATE**  
**OF THE**  
**STATE OF SOUTH CAROLINA**



REGULAR SESSION BEGINNING TUESDAY, JANUARY 9, 2018

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FRIDAY, MARCH 2, 2018

**Friday, March 2, 2018**  
**(Local Session)**

~~Indicates Matter Stricken~~

Indicates New Matter

The Senate assembled at 11:00 A.M., the hour to which it stood adjourned, and was called to order by the ACTING PRESIDENT, Senator SHEALY.

**ADDENDUM TO THE JOURNAL**

The following remarks by Senator FANNING were ordered printed in the Journal of February 8, 2018:

**Remarks by Senator FANNING**

The billion dollar figure mentioned was only for specific parts he's mentioned. There's far more value than just a billion. We obviously need this to determine how much it is worth.

\$9.4 billion has been invested in this site in reactors that are more complete than not complete. You have heard figures from 40% to 70% complete. It was built in modules. Some are on the outside, making that figure lower. The point is S. 909 makes no decision about what we do with these reactors. S. 909 does nothing to determine what we do about the SCANA deal or Dominion deal -- does not make a determination about how we spend more or less money. All this does is allow us to hit pause and gives us a year and a half. Senator GOLDFINCH, you were asking about liability. You were asking if it should go to Santee Cooper or somewhere else. This gives us a year and a half to figure out where it should go. If we do not pass S. 909, we will not have time to determine or by the time we make the determination, it might not be there anymore. We have done a great job. I appreciate the leadership of Senators MASSEY and SETZLER focusing on rate payers, focusing on the biggest fiasco in the state's history and focusing on the rights to get money back to those rate payers. That has been wonderful. The question should be where did the money go? It went to two \$9.5 billion silos that have been halfway constructed toward completion. The Bill does nothing about determining it but does say should we not preserve those in current space to allow us to one day be able to get those assets returned to rate payers. As you can imagine I don't have a desire to sell off the parts to return to rate payers because they are sitting in my county. To the Senator from Beaufort's point, if that is determined to be the wisest investment--

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is preserve those so we can sell them, so we can return to the rate payers, I'm open to that. We won't have that option if this doesn't pass.

Senator DAVIS: Senator, were you aware there are 18 miles of lay-down lines where thousands of pieces of equipment sit outdoors exposed to weather. Were you aware of that?

Senator FANNING: Yes, absolutely.

Senator DAVIS: Did you know you have three on-site warehouses, 80,000 square feet each, jammed with items and equipment?

Senator FANNING: Absolutely, yes.

Senator DAVIS: Okay. I would encourage anybody who hasn't had a chance to go out to the site and tour that site and see what we are talking about. That more compellingly makes the case for moving forward on S. 909, taking stock, protecting and preserving what is there -- maintaining the value and then asserting a claim to what is out there for the people of South Carolina because we are talking about ways to get money back to rate payers. We can preserve an asset that may have value in the future, on the one hand. On the other hand, we can sell or realize profits or proceeds that can be used to make repairs less burdened. So I would just, again, implore there be a hearing on S. 909 to start to explore how do we secure these assets, how do we preserve these assets and how can we dispose of those assets when appropriate for the benefit of the people in South Carolina.

Senator FANNING: Thank you, Senator DAVIS. We heard in testimony, Senator MASSEY, correct me if I'm wrong, but 97% of all the parts needed to complete the reactors are already purchased and already on site. That was the lay-down yards he was speaking of. Now I'm not misleading you in saying they are in the reactors yet but we had purchased 97% of all the parts needed to finish the reactors. They are sitting out there. Many of you don't have a truck as old as mine. Many of you laugh at a truck as old as mine. If we go a month without cranking our truck, what happens to our truck? If we go a month without cranking our tractor, what happens to our tractor? We have bought 97% of the parts for these two nuclear reactors and they are sitting in lay-down yards. We are not maintaining them. I don't mean putting a tarp on them. I mean the maintenance that allows them to ensure the value of that part when we purchased it is the same value we have today.

### ADDENDUM TO THE JOURNAL

The following remarks by Senator SETZLER were ordered printed in the Journal of January 9, 2018:

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**Remarks by Senator SETZLER**

Mr. PRESIDENT, ladies and gentlemen of the Senate, I appreciate the opportunity I have had to co-chair this committee with Senator MASSEY and work with him.

I do not recall, in my service in this Body, an issue of this magnitude and one that affects every single South Carolinian, whether you are served by SCANA, Santee Cooper, Duke Energy or by somebody else. I do not believe this whole debacle only involves SCANA. As I have said in the committee, Santee Cooper is not without fault throughout this entire process. They knew as early as 2011, that they had a problem. They could have come to the leadership of this General Assembly, to the PRESIDENT *Pro Tempore*, to the Speaker of the House and to the Governor and acknowledged the problems with a request for help. Instead, they continued to go forward.

Not only did Santee Cooper go forward, but they created three separate retirement systems for employees of Santee Cooper. Out of the 1,700 that work at Santee Cooper -- a state agency-- one of those retirement programs only applies to eight people, whereby the President of Santee Cooper chooses the people that will participate in that retirement system. Out of the 1,700 that work at Santee Cooper -- a state agency -- the second retirement system only applies to between 20 and 25 people, whereby the President of Santee Cooper chooses the people that will participate in that retirement system. How is this in the best interest of the State?

SCANA has its faults, as does Santee Cooper. The General Assembly has faults in the process, as does the Public Service Commission and the Office of Regulatory Staff.

The impact that this has had on Fairfield County is well known by the people of South Carolina. Senator FANNING made it very clear, throughout the five hearings our committee had, the impact of what this has had on Fairfield County including the loss of jobs, the loss of money to the school districts, and to the local economy. That is well known, but let me tell you what is not known.

SCANA serves about 23 counties in South Carolina and 700,000 customers. They own property all over South Carolina, but their headquarters, for those that do not know, is in my Senate district and is less than five-minute drive from where I grew up and where I currently live. On a five-mile stretch in Cayce, South Carolina, along 12th Street Extension, SCANA or one of its entities has 33 properties on 1800 acres. This is in the heart of where we live, and includes an assessed value of

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approximately \$330 million. A large number of their employees live in my Senate district. I have talked with many of them, and they are concerned. They are not only concerned about the deal with Dominion, but they are concerned about their livelihood. They are concerned about ratepayers who are their next door neighbors, who are their friends, who are their church members and everyone that has been impacted by this. They care, and they need to be considered too.

Some ask why we are involved at all in a proposed deal between two private entities, SCANA and Dominion. These private entities have publicly said this deal is contingent on certain actions by the General Assembly, even though we do not have a right to vote on whether or not this deal goes through. In addition, this issue is critically important and we will be faced with tough decisions as we move forward. Our rates have not been competitive in some cases and our decisions now will impact not only our ratepayers but also our children and grandchildren and economic development in this State. We should continue to focus on giving our citizens reasonably cost power, but there are huge issues involved as we go forward.

Is selling Santee Cooper the answer? I have listened to the testimony and I believe Santee Cooper will have to be reorganized if it is not sold. Is selling SCANA the answer? I believe we need to know the details and not just the bullet points. At this point, we do not know the details. I will give you an example. The press release says we will have a South Carolina headquarters. I am concerned and want to hear that the headquarters will be the facility that sits in my district. What about current employees? What happens if Dominion changes its mind, if SCANA changes its mind, if either party goes bankrupt? What refund will go to the ratepayer and how is the average ratepayer defined? Stockholders are predicted to receive how much, and what does that mean to the average South Carolinian? The ten biggest stockholders are institutional stockholders, and I am not worried about institutional stockholders. There is talk about write-off, and what impact will that have? Since day one we have heard the same arguments, and we are four months down the road with details we must still deal with.

When you are discussing this, and I do not care whether it is with a lobbyist, with SCANA, with Dominion, with Senator MASSEY, with Senator LEATHERMAN, with me or with anyone else, ask the in-depth questions and be sure that you understand not only the answer but how the answer links to the other issues involved. There are numerous issues, and they all interlock.

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I have never seen anything as huge as this is in South Carolina. Fault is not the issue any more. The question is how do we move this State forward? It is not something that we can take lightly, and it is important. It is serious. It is about what is best for South Carolina. That is the only issue.

### **ADDENDUM TO THE JOURNAL**

The following remarks by Senator SETZLER were ordered printed in the Journal of February 6, 2018:

#### **Remarks by Senator SETZLER**

Mr. PRESIDENT, ladies and gentlemen of the Senate, I want to thank each one of you for your thoughts, prayers, texts and your calls regarding the horrific incident that happened over the weekend. The train accident involving CSX and Amtrak happened in the Pine Ridge section of Lexington County on the outskirts of Cayce.

I joined the Governor, the chairperson of our county council, and others at the site. Though it was horrific, the response of not only the emergency personnel from Lexington County but also of their partners in the surrounding municipalities, for example the City of Cayce, was incredible. Let me give you an example.

The 9-1-1 call came in at 2:34 a.m. The first Sheriff's Department representative or deputy got there at 2:39 -- a mere five minutes after the call. The first Emergency Medical Service personnel was there at 2:40, within six minutes of the accident. The first Fire Department representative was there at 2:42, within eight minutes of the call. That is an incredible time frame in which to respond.

We owe each individual a tremendous amount of gratitude. They were headed by David Kerr, the Director of Public Safety in Lexington County. These ladies and gentlemen prepare constantly throughout the year for these types of incidents and were remarkable in their response.

There were, I think, 147 persons on the train of which 139 of those were passengers. Of those 139, 117 were admitted or went to local hospitals. There were two fatalities.

Beyond what was done by Lexington County First Responders and their partners, the community's outpouring of prayer and expedient work to turn the middle school into a facility for passengers was beyond belief.

This response says a lot about South Carolinians. We are blessed to live in a State filled with citizens who care that much about their fellow man. I want to thank you for your support and thank the county council

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as well as all of their partners including first responders. I also want to thank the Governor and his staff.

As I indicated, there were two fatalities of employees of the railroad. I would ask you to stand and join me in a moment of silence for those two members and their families.

**MOTION ADOPTED**

On motion of Senator REESE, with unanimous consent, the Senate stood adjourned out of respect to the memory of Dr. Curtis Tyrone Gilmore, Sr. of Spartanburg, S.C. Dr. Gilmore was a dedicated educator that served as teacher, coach, administrator and Superintendent of Spartanburg County School District Seven. Tyrone was in the Omega Psi Phi Fraternity where he was named man of the year and received various awards from numerous organizations. He was the former chairman of the South Carolina State Election Commission, United Way Board, Lander University Board, Downtown Rotary Club, a Mason and Shriner and received numerous leadership awards throughout his career. Tyrone was a loving husband, devoted father and doting grandfather who will be dearly missed.

**ADJOURNMENT**

At 11:04 A.M., on motion of Senator JACKSON, the Senate adjourned to meet next Tuesday, March 6, 2018, at 12:15 P.M.

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