

IN RE: South Carolina Electric & Gas Company) Office of Regulatory Staff's First
Activities and Events Related to the Intention) Continuing Audit Information
to Abandon V.C. Summer for Units 2 & 3) Request for Records and
Site in Jenkinsville, SC) Information
)

**TO: K. CHAD BURGESS, ESQ., MATTHEW W. GISSENDANNER, ESQ., AND
BYRON HINSON REPRESENTATIVES FOR SOUTH CAROLINA ELECTRIC
& GAS COMPANY:**

I. INSTRUCTIONS

The South Carolina Office of Regulatory Staff ("ORS") hereby requests, pursuant to S.C. Code Ann. § 58-4-55(A), 58-27-160, and 58-27-1570 that South Carolina Electric & Gas Company ("SCE&G" or "Company") provide responses in writing and under oath and serve the undersigned on or before November 8, 2017 to the attention of Shannon Bowyer Hudson of ORS at 1401 Main Street, Suite 900, Columbia, South Carolina, 29201 and to the attention of Gary Jones of Jones Partners at 1555 North Astor Street, Apt. 22W, Chicago, IL 60610. If you are unable to respond to any of the requests, or part or parts thereof, please specify the reason for your inability to respond and state what other knowledge or information you have concerning the unanswered portion.

As used in these audit requests, "identify" means, when asked to identify a person, to provide the full name, business title, address and telephone number. As used in these audit requests, "address" means mailing address and business address. When asked to identify or provide a document, "identify" and "provide" mean to provide a full and detailed description of the document and the name and address of the person who has custody of the document. In lieu of providing a full and detailed description of a document, a copy of the document may be attached with the identity of the person who has custody of it. When the word "document" is

used herein, it means any written, printed, typed, graphic, photographic, or electronic matter of any kind or nature and includes, but is not limited to, statements, contracts, agreements, reports, opinions, graphs, books, records, letters, correspondence, notes, notebooks, minutes, diaries, memoranda, transcripts, photographs, pictures, photomicrographs, prints, negatives, motion pictures, sketches, drawings, publications, and tape recordings.

Wherever in this audit request a masculine pronoun or possessive adjective appears, it refers to both males and females in accordance with traditional English usage.

IT IS THEREFORE REQUESTED:

- Pursuant to S.C. Code Ann. § 58-4-55(A) that responses be submitted under oath.
- All information shall be provided to ORS and Gary Jones of Jones Partners in the format requested.
- All responses to the requests below must be labeled using the same numbers as the requests.
- Unless otherwise agreed, the requested information shall be bound in 3-ring binders with numbered tabs between each question. The question should be reproduced at the beginning of each tab for the responses included. All exhibits shall be reduced or expanded to 8 ½" x 11" formats, where practical.
- If information requested is found in other places or other exhibits, reference shall not be made to those; instead, reproduce and place a copy of the requested information in the appropriate numerical sequence.
- Any inquiries or communications requesting clarification of the information requested should be directed to Jeffrey M. Nelson, Esquire [803.737.0823], Shannon Bowyer Hudson, Esquire [803.737.0889] or M. Anthony James [803.737.2090] of ORS.
- This entire list of questions shall be reproduced and included in front of each set of responses.
- Unless otherwise set forth below, SCE&G shall provide three (3) paper copies/binders of responses to ORS. In addition, and if technically feasible, it is requested that SCE&G provide one (1) electronic version with working spreadsheets (not in Adobe) each to ORS and to Gary Jones of Jones Partners [gary@jonespartners.net].

- If the response to any request is that the information requested is not currently available, please state when the information requested will be provided to ORS. This statement is not a waiver of the deadline for all other responses.
- In addition to the signature and verification at the close of SCE&G's responses, the SCE&G witness(es), employee(s), contractor(s) or agent(s) responsible for the information contained in each response shall be indicated.
- This request shall be deemed to be continuing so as to require SCE&G to supplement or amend its responses as any additional information becomes available.
- If the information requested is kept, maintained, or stored using spreadsheets, please provide fully functional electronic versions of the spreadsheets, including the formulas used and embedded in the spreadsheet.
- Provide all responses to reflect SCE&G's 55% participation where possible. Where this request is not possible, please clearly identify whether the responses reflect 100% or 55% dollars.

II. REQUESTS

- 1-1. Please provide copies of any Company correspondence, requests for information and responses, oral or written, from or to any other person or entity that may relate to the information being provided in this Audit Information Request regarding SCE&G's V.C. Summer New Nuclear Units 2 & 3 in Jenkinsville, SC (the "Units" or "Project").
- 1-2. Please provide:
 - a) An itemized list of all costs associated with maintaining the current status of equipment at the Project;
 - b) A spreadsheet with a detailed breakdown of all contractor costs, on-site and off-site, supporting the current maintenance and preservation of equipment;
 - c) A spreadsheet with a detailed breakdown by contractor/vendor of the outstanding invoices required to be paid by the Company that were requested prior to SCE&G's decision to abandon the Project; and
 - d) SCE&G's written plan, procedures and schedule developed to achieve and maintain a safe and stable abandonment status at the construction site.
- 1-3. Provide a spreadsheet with a detailed breakdown of all SCE&G costs, on-site and off-site, supporting maintenance and preservation of equipment per year.
- 1-4. For owners costs, please provide an itemized list of all costs for labor, non-labor, and non-split portions, including current and anticipated costs to achieve and maintain a safe and stable abandonment status at the construction site.

- 1-5. For transmission costs, please provide an itemized list of all costs for labor, non-labor, and non-split portions, including current and anticipated costs to achieve a safe and stable abandonment status at the construction site.
- 1-6. Please provide a list of contractors that are currently supplying services to include the scope of work and related costs for services. Please identify any of these contractors which have a lien against SCE&G.
- 1-7. Please provide a list of all liens against SCE&G related to the Units and the unpaid balance for each.
- 1-8. Please provide a list of contractor equipment on-site that is necessary to achieve and maintain a safe and stable abandonment status at the construction site. Please provide the monthly cost for this equipment, and the anticipated termination date for removing this equipment.
- 1-9. Please provide a list of contractor equipment that remains on site, and any unpaid balance associated with this equipment. If SCE&G is responsible for an unpaid balance and the owner is seeking to take possession its equipment, please provide the process that allows the equipment to be released to the owner, and the anticipated release date.
- 1-10. Please provide a list of remaining SCANA/SCE&G staffing, their duties, position title, salary, and a timeline of the anticipated staff departure dates due to the abandonment.
- 1-11. Please provide a breakdown of state and federal regulatory costs by statute or regulation required to achieve and maintain a safe and stable abandonment status at the construction site.
- 1-12. Please list and identify by location all areas which have been backfilled to achieve and maintain a safe and stable abandonment status at the construction site.
- 1-13. Please provide the final staffing requirements and anticipated budget for maintaining staff on-site after the Company has achieved a safe and stable abandonment status at the construction site.
- 1-14. Please identify any outside resources that the Company will require to maintain the site and the remaining equipment in safe and stable abandonment status.
- 1-15. Please identify and itemize all of SCE&G's costs associated with the Project prior to the Westinghouse Electric Company ("WEC") Bankruptcy, SCE&G's path to minimizing those costs and its strategy to recover any remaining unrecovered costs.
- 1-16. The following structures for the Units are over 50% complete:
 - a) Service Building
 - b) Water Treatment Plant
 - c) Cooling Towers
 - d) Simulator equipment and training programs

- e) Switchyard
- f) Shooting Range

- 1-17. Please describe the Company's determination as to completing or abandoning these facilities and any future use of these facilities based on that determination.
- 1-18. Please provide contractor and Company staff severances, bonus payments, and contract breach costs associated with the abandonment.
- 1-19. Please identify the equipment/components that require an inert gas purge or blanket and the actions being taken to ensure the appropriate storage requirements are maintained.
- 1-20. Please discuss SCE&G's decision to either maintain, suspend or terminate its combined operating license ("COL"). Also provide the date this decision must be formally conveyed to Nuclear Regulatory Commission ("NRC").
- 1-21. Please describe any additional NRC requirements and actions the Company must take if it elects to maintain, suspend or terminate its COL license and a timeline for such actions.
- 1-22. Provide a list of documents that have been provided and will need to be provided to the NRC as a result of SCE&G's announcement of its intention to abandon the Units.
- 1-23. ORS understands the NRC requires a written plan of abandonment as a result of SCE&G's intentions to abandon the Units. Please provide that written plan upon completion.
- 1-24. Please discuss the required records needed to maintain the COL license.
- 1-25. Please provide the current status of Inspections, Tests, Analyses, and Acceptance Criteria ("ITAAC") for the Units, a list of completed ITAACs and the steps SCE&G is taking to preserve the ITAAC database.
- 1-26. Please identify what state or federal permits are necessary to achieve and maintain a safe and stable abandonment status at the construction site. Also, discuss what actions the Company is taking to meet these permit requirements.
- 1-27. Please discuss the status of transferring the American Society of Mechanical Engineers qualifications from WEC to SCE&G.
- 1-28. Please provide a list of all equipment that has been sold or disposed of since the abandonment decision and the reason for the action.
- 1-29. Please provide a list of remaining equipment deliveries and the cost of each item.
- 1-30. Please provide the results of the most recent equipment inventory and plant walk-down.

- 1-31. Please describe the actions SCE&G has taken to ensure the proper preservation of equipment and component remaining on site.
- 1-32. Please discuss the Company's quality assurance program with regard to demobilization activities.
- 1-33. Please provide the status of the training simulators for the Units and the associated training materials. Also, discuss the Company's decision regarding the simulator (e.g., retain, salvage).
- 1-34. Please provide a categorized list of all unpaid invoices to include the dollar amount associated with each invoice.
- 1-35. Please provide a list of any and all items that have been salvaged and the dollar amount received from each salvaged item.
- 1-36. Please provide a list of any and all items anticipated to be salvaged and the estimated dollar amount to be received from each salvaged item.
- 1-37. Please discuss the level and processes in place to ensure adequate security for the site.
- 1-38. Please identify and list all equipment and buildings associated with the Units that will be supporting V.C. Summer Unit 1 after the abandonment.
- 1-39. Please provide an estimated cost to preserve the site for future restart (within 2 years, 5 years and 10 years).
- 1-40. Please provide a copy of the process to be used by WEC and SCE&G to determine ownership of equipment and components related to the Units.
- 1-41. Please provide a comprehensive list of major equipment and components by owner (WEC or SCE&G) related to the Units
- 1-42. Please provide any agreements/contracts between SCE&G and salvage vendors.
- 1-43. Provide all written documents detailing the cost of abandoning versus preserving or "mothballing" the site.

Shannon B. Hudson

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Columbia, South Carolina
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