

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COLUMBIA, SOUTH CAROLINA

HEARING #10-11151

OCTOBER 21, 2010

10:35 A.M.

**ALLOWABLE EX PARTE BRIEFING**

*REQUESTED BY SOUTH CAROLINA ELECTRIC & GAS COMPANY* - Update on Construction Progress of New Nuclear Units at VC Summer Nuclear Station

**TRANSCRIPT OF  
PROCEEDINGS**

**COMMISSIONERS PRESENT:** John E. 'Butch' HOWARD, *CHAIRMAN*, David A. WRIGHT, *VICE CHAIRMAN*; and COMMISSIONERS G. O'Neal HAMILTON, Randy MITCHELL, Swain E. WHITFIELD, and Nikiya 'Nikki' HALL

ADVISOR TO COMMISSION: Joseph Melchers, Esq.

**STAFF:** Jocelyn B. Boyd, Chief Clerk/Administrator; F. David Butler, Jr., Senior Counsel; B. Randall Dong, Esq., Josh Minges, Esq., and Rebecca Dulin, Esq., Legal Staff; James Spearman, Ph.D., Executive Assistant to the Commissioners; Phil Riley, Tom Ellison, and William O. Richardson, Advisory Staff; Jo Elizabeth M. Wheat, CVR-CM-GNSC, Court Reporter; and Deborah Easterling and Patty Sands, Hearing Room Assistants

**APPEARANCES:**

*K. CHAD BURGESS, ESQUIRE*, along with *STEPHEN A. BYRNE*, presenter, representing SOUTH CAROLINA ELECTRIC & GAS COMPANY

*JEFFREY M. NELSON, ESQUIRE*, representing the SOUTH CAROLINA OFFICE OF REGULATORY STAFF

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Please note: PowerPoint presentation is attached hereto.

P R O C E E D I N G

1  
2           **CHAIRMAN HOWARD:** Good morning. You can be  
3 seated. Good morning. Glad to have you here at  
4 this ex parte briefing. And I'll turn it over to  
5 Attorney Melchers to read the notice of the  
6 briefing.

7           **MR. MELCHERS:** Thank you, Mr. Chairman,  
8 Commissioners. This is a notice of request for  
9 allowable ex parte communication briefing that was  
10 filed by South Carolina Electric & Gas Company,  
11 scheduled for today, Thursday, October 21, at  
12 10:30. And the subject matter is updates on  
13 construction progress of new nuclear units at VC  
14 Summer Nuclear Station.

15           **CHAIRMAN HOWARD:** Thank you. Mr. Burgess, I  
16 believe you have the floor.

17           **MR. BURGESS:** Thank you, Mr. Chairman. And  
18 good morning, Mr. Chairman, and members of the  
19 Commission. My name is Chad Burgess and I'm  
20 corporate counsel for South Carolina Electric & Gas  
21 Company.

22           We're going to call Steve Byrne up here in  
23 just a few seconds, but before we do, I just want  
24 to make a couple of brief opening remarks. And at  
25 the outset, I want to say thank you on behalf of

1 the company. Thank you for allowing us to appear  
2 before you today in the form of an allowable ex  
3 parte briefing, to share with you the construction  
4 activities that have been occurring over the past  
5 year out at our new nuclear deployment construction  
6 site, which is located just outside of  
7 Jenkinsville.

8 In 2008, this Commission authorized SCE&G to  
9 begin preliminary construction work out at the  
10 site, and in 2009 this Commission authorized SCE&G  
11 to fully proceed with construction activities on  
12 the new nuclear units. Those units are identified  
13 as Units 2 and 3, and they are scheduled to be  
14 completed and in service in 2016 for Unit 2, and  
15 2019 for Unit 3.

16 As part of the authorization that the  
17 Commission granted to SCE&G, this Commission  
18 required us to return to you on an annual basis to  
19 provide a yearly status report of the construction  
20 activities, and that's what this proceeding is  
21 designed to serve today, to satisfy that obligation  
22 that SCE&G has under the Commission's  
23 authorization.

24 Now, since 2008, there has been a lot of  
25 activity that has been occurring at the

1 construction site. And by me describing it as "a  
2 lot" really doesn't do us justice. It is a  
3 substantial, extraordinary amount of work that has  
4 been ongoing out at the site. Steve Byrne, he is  
5 the person who is in charge of the construction  
6 activity. He's the one who oversees it and  
7 supervises it. Steve is our executive vice  
8 president and chief nuclear officer at SCE&G, and  
9 among many responsibilities that he has, one is to  
10 ensure that these two units are constructed on the  
11 timeline that we have indicated that we could build  
12 the units on -- and, again, 2016 and 2019 are the  
13 magic dates for those two units to come on-line and  
14 be put into service.

15 Steve's responsibility is nothing short of  
16 awesome. It is a huge undertaking of a building  
17 project of this magnitude, and he's going to tell  
18 you all about that. He's got about 55 slides that  
19 he wants to walk you through. That should take  
20 roughly about 45 minutes, maybe 50 minutes,  
21 depending upon how many questions you all have.  
22 And we certainly encourage you and want you to ask  
23 questions. Feel free to interrupt Steve as he goes  
24 along in his presentation and ask him whatever  
25 questions that you want to ask him about the

1 construction activities. Or if you would rather  
2 wait until the end and hold your questions until  
3 then, that's fine with us. We are here at your  
4 pleasure, and we want to make sure that you are  
5 provided with all the information that you want,  
6 related to this project.

7 So without further ado, Mr. Chairman, with  
8 your permission, I'd like to ask Steve Byrne to  
9 come up and sit at the middle table here and begin  
10 his presentation. Thank you.

11 **CHAIRMAN HOWARD:** I think, with the length of  
12 the slides, I think it would probably be better,  
13 Commissioners, if we wait for the end, if that's  
14 all right with you all. We'll just wait, Mr.  
15 Byrne, and we'll ask our questions after you've  
16 completed your presentation.

17 **MR. BYRNE:** That's fine. We can do it either  
18 way. I do have a lot of slides. Most of them,  
19 fortunately, are pictures, so I can step through  
20 those pretty quickly. I think Chad has a flair for  
21 the dramatic that I'm seeing him indulge here, so,  
22 "nothing short of awesome" might not look bad on a  
23 business card.

24 [Laughter]

25 Let me make one correction. I am responsible

1 for all of the construction activities at nuclear;  
2 in fact, all the generation for SCE&G. But about a  
3 year ago we promoted Jeff Archie to the position of  
4 chief nuclear officer. So, Jeff is in the audience  
5 behind me.

6 **MR. ARCHIE:** [Indicating.]

7 **MR. BYRNE:** So Jeff has the day-to-day  
8 responsibility for new nuclear and our existing  
9 nuclear plant, and Jeff works for me.

10 [Reference: PowerPoint Slide 1]

11 I'm hopeful that the pictures will come up  
12 bright enough; if not, we may have to dim some of  
13 the lights. But, as Chad says, this is our  
14 opportunity to give you a yearly update, and we  
15 look forward to some good progress, of course, next  
16 year, the following year, and all the way through  
17 2019.

18 [Reference: PowerPoint Slide 2]

19 Let me give you first a Federal licensing  
20 update. We did submit our combined license  
21 application, or COLA, to the Nuclear Regulatory  
22 Commission in March of 2008. We do expect that  
23 license to be issued to us in late 2011 or early  
24 2012. All of the interactions we've had with the  
25 Nuclear Regulatory Commission recently have re-

1 affirmed that.

2 The Nuclear Regulatory Commission did issue a  
3 draft environmental impact statement, or DEIS, in  
4 April. We expect that to be made final in April of  
5 next year. And we do have an uncontested hearing  
6 before the Nuclear Regulatory Commission, but the  
7 hearing process is mandatory. Our understanding  
8 is, that hearing process, even though it's  
9 uncontested, will be about four months in duration.  
10 So the Atomic Safety & Licensing Board did not  
11 allow any intervention in our process. That was  
12 appealed. It went back to the Nuclear Regulatory  
13 Commission. The Commission remanded it back to the  
14 Atomic Safety & Licensing Board, to evaluate a  
15 couple of further things. That board re-evaluated  
16 and upheld their previous decision that there were  
17 no allowable contentions, and that went back to the  
18 Nuclear Regulatory Commission and they affirmed  
19 that. So as of this point in time, we have no  
20 contentions in our hearing, so it's an uncontested  
21 hearing.

22 Then, we will need the Revision 17 to the  
23 design certification document that Westinghouse and  
24 the Nuclear Regulatory Commission are working on.  
25 That rulemaking will have to be issued before the

1 license can be issued to us, and we believe that  
2 that will be sometime in late 2011, which would  
3 support our late 2011/early 2012 license date.

4 [Reference: PowerPoint Slide 3]

5 That design certification document, a brief  
6 history on that: When the AP1000 design from  
7 Westinghouse was certified, that was in January  
8 2006, and it had been through Rev. 15. So the  
9 first fully certified AP1000 design was through 15  
10 revisions, so there's a lot of back-and-forth  
11 between the Nuclear Regulatory Commission and the  
12 reactor vendor. They have since submitted Rev. 16  
13 and then that was rolled up into Revision 17, which  
14 they are currently working on with the Nuclear  
15 Regulatory Commission. That was submitted in  
16 September of 2008. The NRC did issue to  
17 Westinghouse a couple of letters on the schedule  
18 for DCD-17. June of 2010, they got a pretty good  
19 letter that indicated that good progress was being  
20 made, that they expect the final rule in September  
21 of 2011 and the COLs could be issued both to the  
22 Vogtle project and our project shortly thereafter.

23 Now, 17 will not be the last you hear about  
24 DCD revisions. There will be an 18, which rolls up  
25 all the questions they currently have, and our

1 thinking now is that there will be an  
2 administrative Revision 19. We anticipate that  
3 Rev. 18 will be submitted to the Nuclear Regulatory  
4 Commission in December of this year.

5 [Reference: PowerPoint Slide 4]

6 One update, we told you during the hearings  
7 that we had in excess of 50 percent of our contract  
8 in the categories of fixed or firm and that we were  
9 going to work towards increasing that percentage.  
10 We have recently concluded some negotiations with  
11 Shaw and Westinghouse, and we have moved an  
12 additional amount from target into the firm or  
13 fixed categories. So target could be looked at as  
14 time-and-materials; we estimate what it's going to  
15 be, but it costs what it costs. But with that, we  
16 reduce the risk to ourselves and our partner,  
17 Santee. Some of the things that were in that  
18 target-to-firm/fixed are things like cooling  
19 towers, switchyard, the large crane, module  
20 assembly, and construction equipment. And we now  
21 have about two-thirds of our project in the firm or  
22 fixed categories, so we've moved some from target  
23 into firm or fixed, and I think doing that reduces  
24 the risk to us and we're happy to get that  
25 accomplished.

1 [Reference: PowerPoint Slide 5]

2 This is the project cost. You can see the  
3 blue line on top is the total project cost, so  
4 that's our cost plus Santee Cooper's cost, which  
5 includes escalation, contingencies, transmission.  
6 That was estimated to come in at about 10.6  
7 billion. We're currently estimating about 9.6  
8 billion, and that's largely due to the lower  
9 estimated escalation factors. So, that number is  
10 going to change. It will vary through the project,  
11 but as we stand today, it looks like about \$1  
12 billion less than we had anticipated.

13 My budget was to have spent about 1.4 billion  
14 through the end of September, and it looks like we  
15 have actually spent about 1.2 billion, so we're  
16 pretty close on the expected expenditures to date.

17 [Reference: PowerPoint Slide 6]

18 A slide on staffing: We currently have over  
19 800 folks working, dedicated just to the new  
20 nuclear project in Fairfield County. You can see  
21 that a little over 100 of those are SCE&G folks,  
22 and the bulk of them, 687, are going to be the  
23 contractor. That is split between Westinghouse,  
24 which has a very small contingent; Shaw, which is  
25 our construction contractor; and then their

1 subcontractors. And they've got what they would  
2 consider prime subcontractors and then subs to  
3 those subcontractors, so it can get complicated,  
4 but suffice to say we've got about 800 folks that  
5 are actively engaged in Fairfield County. We  
6 anticipate that by June of next year, we'll have  
7 over double that number.

8 [Reference: PowerPoint Slide 7]

9 Of the existing workforce, Shaw has 21 prime  
10 subcontractors and then 65 lower-tier subs. Of the  
11 21 prime subs, nine of those are considered small  
12 minority businesses, which would also include  
13 veteran-owned and female-owned businesses, and  
14 eight of those are South Carolina companies. Of  
15 the 65 lower-tier subcontractors, about 55 percent  
16 are small minority businesses, and of those, 34 are  
17 from South Carolina.

18 Shaw themselves have 350 craft employees on  
19 the site. 61 percent of those are from South  
20 Carolina. And of those, 60 percent are from the  
21 four counties around us, so that would be Richland,  
22 Lexington, Fairfield, and Newberry. And we do buy  
23 a lot of materials and small equipment for the  
24 site, and in the last quarter we totaled 9.1  
25 million, and of that, 4.4 million was spent with

1           small minority business owners, most of them from  
2           the local area.

3           So I think we're living up to our obligation  
4           to try to give a lot of the work to South Carolina  
5           companies.

6                               [Reference: PowerPoint Slide 8]

7           Just a reminder about what our generation mix  
8           is today: The chart on the left here shows the  
9           last full year, which would've been 2009, and you  
10          can see that we were about 50 percent coal.  
11          Nuclear is about 11 percent of our generation by  
12          capacity, so if you look at the nameplate ratings  
13          on all the plants, about 11 percent is nuclear; but  
14          because we base-load nuclear, we get about 18  
15          percent of our total megawatts, or 18 percent of  
16          our total generation from nuclear.

17          And you can see that when we fast-forward to  
18          those two new nuclear units coming on-line, we'll  
19          be about 55 percent nuclear, because we'll dispatch  
20          those whenever we can. Coal drops to about 34  
21          percent. You can see, with the addition of our  
22          hydro and the little bit of biomass that we have,  
23          we'll be almost 60 percent non-emitting out in the  
24          2019 or 2020 timeframe, which I think is pretty  
25          good. If you look at the coal number here

1 [indicating], if we see gas prices that stay where  
2 they are today, we'll be higher than 7 percent in  
3 gas, but it will come at the expense of coal.

4 [Reference: PowerPoint Slide 9]

5 This is our reserve margin requirements. As  
6 you're well aware, we have a requirement to be  
7 between 12 and 18 percent above our anticipated  
8 peak load. So the yellow line represents the 12  
9 percent reserve margin line; the red line is the 18  
10 percent reserve margin line. And as long as the  
11 green line, which is our current generating  
12 capacity, this green line here [indicating], as  
13 long as that's between the other two lines, we're  
14 okay. You can see that it does drop below the  
15 yellow line. Now, we do have some wholesale  
16 contracts coming off in the 2012 timeframe, which  
17 is this drop here [indicating]. You can see what  
18 the addition of the nuclear units does. This is  
19 the one in '16 [indicating] and this is the other  
20 one in '19 [indicating].

21 So we stay pretty close to our reserve margin  
22 requirements. We do have in here some retirements  
23 of some of our older, smaller fossil units: 90  
24 megawatts in '16 and 210 megawatts in 2019.

25 [Reference: PowerPoint Slide 10]

1           This is the aerial view of the site. This is  
2           how it looked in November of 2008. That was  
3           essentially before we had started any work at the  
4           site. So obviously you can see VC Summer Unit 1 at  
5           the top of the screen here [indicating]. This is  
6           Lake Monticello [indicating], and our Fairfield  
7           Pumped Storage unit is right about here  
8           [indicating], obscured by these trees.

9           This building here [indicating], which we're  
10          calling the new nuclear deployment office, was the  
11          training center for the site. So it was located --  
12          by road, it's about four miles away from the site  
13          proper. We relocated the training facility to the  
14          site proper -- in fact, I'll show you some pictures  
15          of that later on -- but it's now up here  
16          [indicating]. So this building became open, and  
17          our new nuclear deployment folks thought it would  
18          be a great place to stage the new nuclear  
19          activities from. So this is on Highway 213, and  
20          that's the new nuclear deployment building. So,  
21          really, nothing happened at the site at November of  
22          2008.

23                               [Reference: PowerPoint Slide 11]

24           This is September of 2009, and you can see  
25           that the new nuclear deployment building is still

1 down here at the bottom [indicating]. We've done a  
2 lot of excavation work on what we call the  
3 tabletops. This is where the units are going to go  
4 here [indicating], Units 2 and 3. This is the  
5 spoils area [indicating]. You have to have  
6 somewhere where you stack up the dirt that you're  
7 moving around, so that's the stack-up area or  
8 spoils area.

9 And you can see that Shaw has started to put  
10 some construction -- temporary construction office  
11 buildings on the site, and the roads look like  
12 they're starting to take shape.

13 [Reference: PowerPoint Slide 12]

14 This is the site in January 2010. This is a  
15 little closer up. The new nuclear deployment  
16 building would be just off this picture on the  
17 bottom [indicating]. These are construction  
18 offices for Shaw [indicating]. This [indicating]  
19 is where our warehouses will be going, and I'll  
20 show you some pictures of those in a few minutes.  
21 This [indicating] is the road that we'll be using  
22 to access the site, and this [indicating] is a  
23 highway-quality four-lane bridge that we've  
24 constructed over Mayo Creek, so that we don't  
25 disturb that wetlands. You'll see this

1 [indicating] is where the Units 2 and 3 are going  
2 to go, and this [indicating] is circulating water  
3 pipe that's started to show up on the site that  
4 we've just started to stack up.

5 [Reference: PowerPoint Slide 13]

6 These are the construction warehouses. We  
7 have three. These are now complete. Two of them  
8 are 100,000-square-foot warehouses and one is a  
9 70,000-square-foot warehouse, so these are finished  
10 now.

11 [Reference: PowerPoint Slide 14]

12 This is some of that circulating water pipe  
13 going into the ground. We thought we'd bury it and  
14 see what grows.

15 [Laughter]

16 This is -- each of these individual pieces  
17 weighs about 64,000 pounds, and it's concrete,  
18 steel, and concrete. So it's sort of like steel  
19 sandwiched between layers of concrete. So this is  
20 not visible today; this is all buried.

21 [Reference: PowerPoint Slide 15]

22 But it's all been placed, and around the  
23 concrete pieces when we lay them in place, to  
24 stabilize them, as opposed to using earth and  
25 compacting it, we used what's called flowable fill,

1           which is sort of like a low-grade concrete, which  
2           means that it's not going to move, and it's quicker  
3           than doing the compaction.

4                           [Reference: PowerPoint Slide 16]

5           And this is for Unit No. 3. So for both Unit  
6           2 and Unit 3, we buried the majority of the  
7           circulating water pipe already, so you cannot see  
8           this at the site today.

9                           [Reference: PowerPoint Slide 17]

10           This is our concrete batching plant. We will  
11           have two of these when the units are in full  
12           construction. This is the first of the two. This  
13           is actually making concrete now, so we're using it  
14           for some of the pads around the site. Because  
15           we're going to be pouring during some hot weather,  
16           we don't want to have to stop just because it's  
17           hot, so we will have a chiller section on this  
18           concrete batch plant, so we'll be able to cool the  
19           concrete as it comes out. So we'll be trucking it  
20           from this batch plant, which is on-site, on the  
21           property, to the locations where we'll need the  
22           concrete, which is a positive since it will lessen  
23           the requirement to have concrete trucks on the  
24           roads in Fairfield County.

25                           [Reference: PowerPoint Slide 18]

1           The switchyard is also starting to take place.  
2           We've actually started to receive some of the  
3           breakers. These are some of the high-voltage  
4           breakers that we'll use in the switchyard.

5                           [Reference: PowerPoint Slide 19]

6           One of the lessons that we learned from China  
7           is that some of the modules are pretty tall, and  
8           when they constructed them in China, they  
9           constructed them horizontally, so then they would  
10          be bolting and welding as the subcomponents would  
11          come in. Then they would upright them, which puts  
12          a lot of stress and strain on the welds, on some of  
13          those components. So their advice to us was, "If  
14          you could do them in the vertical position to start  
15          with, that would be good. And if you could do it  
16          inside, that would be good," because you can be out  
17          of the weather and you don't lose productivity. So  
18          out of that came the idea of a modular assembly  
19          building. This is the concrete pad, and you can  
20          see how thick it is for the module assembly  
21          building, just by the gentleman that's standing  
22          next to it. Some of the modules weigh in excess of  
23          2 million pounds, so the floor has to be pretty  
24          substantial to tolerate it.

25                           [Reference: PowerPoint Slide 20]

1                   Some of the modules are as tall as about 70  
2                   feet, so we have to be able to get those inside the  
3                   building, so the gable height on this is going to  
4                   be a little over 100 feet. But this is the side  
5                   walls on the module assembly building going up.

6                   [Reference: PowerPoint Slide 21]

7                   You can see the roof going on that module  
8                   assembly building.

9                   [Reference: PowerPoint Slide 22]

10                  And this is that same module assembly  
11                  building, and now you're looking kind of through  
12                  the excavation for Unit No. 2. We have to go down  
13                  from grade level -- we go down 40 feet before we  
14                  can pour any base mat, so this is the excavation  
15                  going down. Now we're going straight down, using  
16                  what's called a soldier pile wall, and that's this  
17                  wood-and-steel structure you see all the way around  
18                  the excavation.

19                  This is different than the way they're doing  
20                  it in Georgia at Vogtle. They have to go down a  
21                  lot farther than we do. They don't have rock. We  
22                  have encountered rock before 40 feet; they have to  
23                  go down about 90 feet and then come back up 50 feet  
24                  with backfill. So their excavation is much longer,  
25                  and its tiered. Ours is basically limited to the

1 footprint of the plant; we're going straight down,  
2 because we have rock.

3 That excavation is nearing completion for Unit  
4 2, and we should start Unit 3 shortly.

5 [Reference: PowerPoint Slide 23]

6 That, again, is that module assembly building,  
7 so you can get some sense for the size of it; it's  
8 about a football field dimension inside and, again,  
9 about 112-foot gable height on the building, to get  
10 the big cranes in over the modules.

11 [Reference: PowerPoint Slide 24]

12 We're going to have one large crane on-site,  
13 and this is an artist's rendering of our Bigge  
14 crane. It will actually travel on a track. As you  
15 can see there, it will go 360 degrees around. And  
16 as opposed to stacking up counterweights, we're  
17 going to basically bolt it to the ground and have  
18 it concreted into the ground.

19 [Reference: PowerPoint Slide 25]

20 And this is where we will bolt it. This will  
21 be set in concrete, and then the studs on the very  
22 top of this ring will be bolted to the crane  
23 itself.

24 [Reference: PowerPoint Slide 26]

25 This is the foundation for the track that it

1 will travel on. This is called -- HLD stands for  
2 heavy-lift derrick. So it's more like railroad  
3 tracks will go the 360 degrees around, and it can  
4 travel. The idea is you place it between the two  
5 units and it can reach both units.

6 [Reference: PowerPoint Slide 27]

7 This is Building No. 9. Building 9 will house  
8 a lot of the construction and startup testing folks  
9 and engineers. It's actually a two-story building.  
10 We'll have about 400 people in it at peak  
11 occupancy.

12 [Reference: PowerPoint Slide 28]

13 A big part of our construction is going to be  
14 what we call the containment vessel. The  
15 containment vessel is about an inch and three-  
16 quarter [1-3/4"] thick steel that's formed by  
17 making a bottom bowl, and then four ring sections  
18 that stack on top of that, and then a top closure.  
19 And all of the reactor components go inside of that  
20 shield building. Well, to do that, it's far too  
21 large to transport, so you have to assemble it on-  
22 site. So the large, thick pieces of steel will  
23 come in on truck or rail, and Chicago Bridge & Iron  
24 will be assembling those on-site. So they need  
25 some large pads to do the assembly, and this is

1 those pads going in, in anticipation of Chicago  
2 Bridge & Iron showing up on-site next year.

3 [Reference: PowerPoint Slide 29]

4 So this is what the site looks like now, with  
5 Unit No. 1 to your back, looking out at the way  
6 things are coming together. Our concrete batch  
7 plant is over here [indicating]. We've got some  
8 construction buildings for Shaw here [indicating].  
9 This is that module assembly building [indicating].  
10 And the Unit 2 excavation is right in here  
11 [indicating]. And we've got a couple of buildings  
12 on-site for the craft to take breaks and change,  
13 those kind of things. That's one here [indicating]  
14 and we'll have one on the other side of the site.  
15 So you can see things are starting to take shape  
16 out there.

17 [Reference: PowerPoint Slide 30]

18 This is an aerial view of the same thing. You  
19 can see the Unit 2 excavation here [indicating].  
20 Unit 1 excavation -- I'm sorry. Unit 3 excavation  
21 is going to go over here [indicating]. The module  
22 assembly building is going to be between the two  
23 buildings [indicating], and this [indicating] is  
24 where the big crane will go, eventually. This is  
25 that Building 9 [indicating] which will house

1           engineering, and then we've got a safety building  
2           in front of it [indicating].

3                           [Reference: PowerPoint Slide 31]

4           Again, this is an aerial view of the site.  
5           You can see where the pads are going to be for the  
6           large ring sections, right here [indicating].

7                           [Reference: PowerPoint Slide 32]

8           Our training facility: This is the training  
9           facility that we relocated to the site back in  
10          2005. So this building here is a little over  
11          70,000 square feet. You're only seeing a part of  
12          it. But in order to accommodate the new simulators  
13          that we're going to get, we had to build on an  
14          addition, so this is the addition [indicating],  
15          which is nearing completion. We should be finished  
16          with that addition in December of this year. And  
17          it will be ready to receive the simulators -- the  
18          simulators probably won't be ready then, but we'll  
19          be ready to receive them.

20                           [Reference: PowerPoint Slide 33]

21          This is our manufacturing schedule for large  
22          components. And you can see, if it's in green it's  
23          already started. So a lot of the large components  
24          are being fabricated now, particularly for Unit No.  
25          2, and they are coming from places around the

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world.

[Reference: PowerPoint Slide 34]

This is a map of where the large components are coming from, and you can see that things like the reactor vessel, steam generators are coming from South Korea. We're getting a lot of tanks and piping from Italy. We're getting some components from Japan.

And we are getting a number of components made here in the United States. The modules, for example, those will come to us from a facility in Lake Charles, Louisiana. The reactor vessel internals and control room drives are coming from the Pittsburgh area, as are the reactor coolant pumps and variable frequency drives for those, and the integrated head package is coming from out West. So we are building a lot in this country, but as of today, the only place we can get ultralarge forgings is either Doosan in South Korea or Japan Steel Works in Japan. We're certainly hopeful that those capabilities will be existing in the United States in the near future, but they don't today.

[Reference: PowerPoint Slide 35]

Just so we're all talking from the same page,

1           this is a schematic of the reactor coolant system.  
2           So this will all be within the shield building that  
3           I talked about, which is those rings. But the  
4           reactor is in the center; this is the reactor  
5           vessel here [indicating]. And this [indicating] is  
6           what we call a head, and the integrated head  
7           package means that it comes off as one piece.  
8           Attached to that are two steam generators. So the  
9           premise is, water goes through the reactor vessel  
10          and gets heated up; it will then travel through a  
11          pipe called a hot leg pipe -- that's just because  
12          it's been heated up in the reactor, so the water's  
13          hot, so they call it a hot leg pipe -- and that  
14          pipe attaches to the steam generator. It goes  
15          through tubes in the steam generator, gives up its  
16          heat, so now that water is cooler, so it goes  
17          through what's called a cold leg and goes right  
18          back to the reactor vessel. So it just keeps  
19          making a loop.

20                 So you've got two of those steam generators  
21                 attached to the single reactor [indicating]. And  
22                 the mode of force are reactor coolant pumps, and  
23                 these [indicating] are the reactor coolant pumps.  
24                 We've got two pumps that basically hang from the  
25                 bottom of those steam generators, so those are,

1           what, four reactor coolant pumps. And you maintain  
2           pressure in the system with a large tank called a  
3           pressurizer, and it will be about half filled with  
4           water, half filled with steam. The premise is, if  
5           you want to increase the pressure, you can turn  
6           heaters on in the water which will make more steam;  
7           if you want to decrease pressure, you spray a  
8           little water in to quench the steam, and the  
9           pressure drops. So that's how you control  
10          pressure.

11                 But these components basically form the  
12          reactor coolant system, and these large pipes here  
13          [indicating] will attach to the reactor vessel  
14          itself by what is called a nozzle. So the nozzle  
15          will be attached at the factory and then there  
16          would be a field weld when you get it into the  
17          plant proper.

18                         [Reference: PowerPoint Slide 36]

19                 This is the reactor vessel, and in reality it  
20          comes, as you see here, in a number of different  
21          components. I've circled a couple because I'm  
22          going to show you pictures of those components  
23          being fabricated.

24                         [Reference: PowerPoint Slide 37]

25                 So this is the upper shell being forged

1 [indicating]. This is the upper shell being  
2 machined [indicating]. The picture looks a little  
3 blurry, but it's actually spinning, so it's in  
4 motion. And this is all being done at Doosan in  
5 South Korea.

6 This [indicating] is cladding being applied to  
7 that same shell, and these [indicating] are a  
8 close-up of those nozzles which will be welded in  
9 the factory to this shell, and then the hot leg and  
10 cold leg piping will be welded in the field to  
11 these components. So this is testing of those  
12 nozzles, non-destructive testing to look for flaws.

13 [Reference: PowerPoint Slide 38]

14 And this is a steam generator. I've circled a  
15 couple of components here: the elliptical head,  
16 the transition cone, and then the lower tube sheet.  
17 I'm going to show you those components on the next  
18 slide.

19 [Reference: PowerPoint Slide 39]

20 And this -- again, this is Doosan in South  
21 Korea, and these are our components, so this is our  
22 upper elliptical head, transition cone, and tube  
23 sheet for one of the steam generators for Unit No.  
24 2. And this is before the final machining.

25 [Reference: PowerPoint Slide 40]

1           And these are those same components after the  
2           machining process. Again, we will have engineers  
3           over in South Korea when we come up with the hold  
4           or witness points for these components, and we'll  
5           observe the manufacturing process.

6                           [Reference: PowerPoint Slide 41]

7           I want to give you an update on China's  
8           progress. This is at one of the sites over in  
9           China. You can see there's Kevin Marsh, there's  
10          Jeff Archie, and there's myself [indicating]. So  
11          we've visited these sites. This is in their lobby,  
12          and you can see that, while they are building two,  
13          they have some grandiose plans. Each one of these  
14          [indicating] is an AP1000 unit. You can see that  
15          -- this, I believe, is the Haiyang site, and  
16          they've got plans for eight units there, total.  
17          Actively building two of them.

18                          [Reference: PowerPoint Slide 42]

19          This is the Sanmen site. Now, they're  
20          building AP1000s, just like we're building.  
21          They're a rock site, and we're a rock site. So the  
22          two sites are going to look very similar.

23          This [indicating] is that containment vessel I  
24          talked about, so it's about an inch and three-  
25          quarter [1-3/4"] thick steel. When you think about

1 handling or doing anything with steel that's, you  
2 know, this thick [indicating], it's difficult to  
3 handle. And this module here [indicating] is  
4 called CA20. So that's one of the early large  
5 modules that we'll be installing. This is already  
6 installed over there. This module is about 70 foot  
7 tall, so you can get a scale for this building.  
8 This is after the second ring was installed  
9 [indicating] on the other ring, so you have a lower  
10 bowl down here and you've got another ring on top,  
11 and this is the second ring section, and then they  
12 get welded together.

13 So this is the nuclear side of the plant  
14 [indicating]. This would be the turbine side of  
15 the plant [indicating], or the non-nuclear side of  
16 the plant. And then the excavation for the second  
17 unit is right behind it [indicating].

18 They're about two and a half years ahead of us  
19 in the construction process at Sanmen, so this is  
20 our opportunity to learn construction lessons from  
21 them.

22 [Reference: PowerPoint Slide 43]

23 Again, this is that CA20 structural module.  
24 You'll see that comes in 72 different parts. So  
25 when we receive ours from Lake Charles, Louisiana,

1 we'll receive it by truck in 72 different  
2 shipments, and then we'll put those together inside  
3 of our module assembly building, transport it out  
4 of the building, and pick it up with the big crane  
5 and set it in place.

6 [Reference: PowerPoint Slide 44]

7 This is that unit being transported at the  
8 Sanmen unit.

9 [Reference: PowerPoint Slide 45]

10 After you set the CA20, then you put the lower  
11 bowl on the containment vessel. As you see here,  
12 they're lifting it, or flying it. This section is  
13 about 38 foot tall, it's got a 130-foot diameter,  
14 and this one weighs about 650 tons.

15 [Reference: PowerPoint Slide 46]

16 Once you get the lower bowl in place, which  
17 you see here [indicating], then you can start to  
18 put other modules in it. And CA04 is the reactor  
19 cavity, and this is it being lifted by their big  
20 crane. This [indicating] is that CA04 module  
21 inside the lower bowl. So that's where the reactor  
22 vessel will eventually go.

23 [Reference: PowerPoint Slide 47]

24 Once you have the CA04 in place, which is in  
25 here [indicating], you can then start to put other

1 modules around it. Now, most of these modules --  
2 this is CA05 -- they will actually form the walls  
3 of various rooms inside of the containment vessel.  
4 So these sections here [indicating] will actually  
5 be filled with concrete. So the steel is  
6 structural, but it also is -- are the forms for the  
7 concrete, and then the steel stays in place.

8 [Reference: PowerPoint Slide 48]

9 This is that first ring section being  
10 transported from the pads where they put it  
11 together and welded it together to where the big  
12 crane can pick it up. You see this one weighed  
13 about 775 tons. Same dimension as the lower bowl,  
14 130 foot in diameter. And this particular section  
15 is 51 foot tall.

16 [Reference: PowerPoint Slide 49]

17 And that's them lifting that first bowl  
18 section. You can see that CA04 module and the  
19 CA05 module are already inside of the lower bowl.  
20 This gets put on top and get welded up.

21 [Reference: PowerPoint Slide 50]

22 The next big module is called CA1 or CA01, and  
23 it actually forms the enclosure where the steam  
24 generators will go, so the steam generator will go  
25 -- one steam generator will be in here

1 [indicating], another steam generator is in here  
2 [indicating]. The pressurizer I talked about will  
3 go here [indicating]. And the reactor vessel will  
4 go right in the middle here [indicating] and you'll  
5 have penetrations for the hot leg and cold leg  
6 piping to go through.

7 Then when you want to do refueling, you take  
8 the integrated head off the reactor vessel and you  
9 flood this canal here [indicating] to keep  
10 everything under water. So this [indicating] comes  
11 in and a number of submodules get assembled on-  
12 site, and it gets lifted as one component into the  
13 reactor -- or, around the reactor vessel, but  
14 inside of the shield building.

15 [Reference: PowerPoint Slide 51]

16 And this is then lowering it into the shield  
17 building at the Sanmen unit, so this is CA01 being  
18 lowered in.

19 [Reference: PowerPoint Slide 52]

20 That's the second ring which goes on after the  
21 CA01 was placed. And when Kevin, Jeff, and I were  
22 there, they already had the third ring in place.  
23 We were there in September. We had a chance to go  
24 inside of this shield building and look around and  
25 examine this CA20 module they have here.

1 [Reference: PowerPoint Slide 53]

2 So they give us access to their sites during  
3 construction, and we get to learn construction  
4 lessons. What they get from us is they have an  
5 opportunity to send folks to our existing operating  
6 unit, and they get to learn from us things like  
7 training, human factors, corrective action,  
8 simulator, the kind of things that they are perhaps  
9 not as advanced in as we are and they want to learn  
10 from.

11 So we currently have five folks from the  
12 Haiyang site and five folks from the Sanmen site at  
13 VC Summer Unit No. 1. They'll be with us for 60  
14 days, ending in November; then in February of next  
15 year, we'll take another group of ten for another  
16 60-day period. And we're being helped by the  
17 Confucius Institute out of Presbyterian College.  
18 No technology transfer involved in this; it's  
19 strictly procedures and human factors, and those  
20 kinds of things, so no technology transfer.

21 [Reference: PowerPoint Slide 54]

22 And a positive note, on the colleges and  
23 universities that are supporting us. In my mind,  
24 the technical college program and system is doing  
25 exactly what it was designed to do, and that's to

1 help business and industry to succeed. And we have  
2 positive relationships and active programs with  
3 Midlands Tech, Aiken Tech, Spartanburg Community  
4 College, Orangeburg-Calhoun Tech, and York Tech for  
5 programs like health physics, mechanical  
6 maintenance, I&C, operator, and electrical  
7 maintenance. In fact, our operator program with  
8 Midlands Technical College is one of the first in  
9 the country and specifically aimed at the fact that  
10 the Navy programs are drying up; they're not  
11 producing as many ex-Navy reactor operators or  
12 equipment operators as they used to. So we've now  
13 got to train those by some other means, and if we  
14 can send somebody to Midlands Technical College for  
15 two years, teach them things like reactor theory,  
16 heat transfer, thermodynamics, they get to work for  
17 us during the summers, we get to see if we like  
18 them and they get to see if they like the nuclear  
19 power business -- it's not for everybody -- and  
20 then we'll offer them a job when it's over with.  
21 And, in fact, we have actually employed the first  
22 couple of graduates from that program already, so  
23 this is the real success story for us.

24 And, of course, we still have active core  
25 programs with Clemson, South Carolina State,

1 Francis Marion, and USC. And you know that South  
2 Carolina State started a nuclear engineering  
3 program, I want to say it was about eight or nine  
4 years ago; and then USC started a graduate level  
5 program four or five years ago. And we are serving  
6 at both of those oversight boards for those  
7 colleges.

8 [Reference: PowerPoint Slide 55]

9 And this is the Quick Jobs Center that opened  
10 up on Tuesday, in Winnsboro. This is a  
11 collaborative effort with Midlands Technical  
12 College. The Department of Commerce put up, I  
13 think, \$1 million dollars towards it; we put up  
14 some matching money towards it; and Shaw is really  
15 driving the curriculum and the programs. And the  
16 premise here is if somebody who wouldn't have the  
17 time to go to a two- or four-year college but wants  
18 to get out and work, would have the opportunity to  
19 pick up the skills at the Quick Jobs Center and  
20 then transfer directly into the Shaw workforce  
21 working on our project, or elsewhere. And they're  
22 going to start off with welding programs here and  
23 pipefitting programs here. They've also got some  
24 computer-based training capabilities in this room,  
25 along with a community room that they added on,

1           which I think was a good idea. So Midlands Tech  
2           now has a presence in Fairfield County, and, again,  
3           the ribbon-cutting was Tuesday.

4           With that, I think I would love to entertain  
5           questions.

6           **CHAIRMAN HOWARD:** Commissioners, any  
7           questions? Commissioner Wright.

8           **VICE CHAIRMAN WRIGHT:** Good morning.

9           **MR. BYRNE:** Good morning.

10          **VICE CHAIRMAN WRIGHT:** That was excellent.  
11          Thank you, very much, for that.

12          As I understood in your presentation, Mr.  
13          Byrne, most of the design issues and stuff with the  
14          NRC have either been addressed and are pending or,  
15          I guess the bottom line, is everything still on  
16          schedule?

17          **MR. BYRNE:** Yeah, I think our original  
18          schedule would have had us receiving our license a  
19          little earlier than we will receive it, still in  
20          the same year, we believe. The issue has mainly  
21          been around design of what they call the shield  
22          building, and that shield building has to withstand  
23          things like aircraft impact.

24          **VICE CHAIRMAN WRIGHT:** Right.

25          **MR. BYRNE:** And that shield building design,

1 as proposed by Westinghouse, was something that I  
2 don't think the NRC had seen before and that we  
3 hadn't used in this country. They have used it in  
4 other countries. But the final design of that  
5 shield building is now with the NRC; they're still  
6 going back and forth with a process they call  
7 requests for additional information, or RAIs. But  
8 they've issued us -- or, sorry. They've issued  
9 Westinghouse a schedule letter, which shows where  
10 they see the end of rulemaking, and that should be  
11 about September of 2011.

12 **VICE CHAIRMAN WRIGHT:** Okay. So nothing that  
13 you see really impacts the in-service dates much,  
14 so far?

15 **MR. BYRNE:** Yeah, I think -- you know, we've  
16 said we expect to receive our license at the end of  
17 2011 or first part of 2012, and as of now I see  
18 nothing to change that. I think we'll still have  
19 Unit No. 2 on-line in 2016 and Unit No. 3 on-line  
20 in 2019.

21 **VICE CHAIRMAN WRIGHT:** My final question  
22 really just has to do with the loan guarantee. And  
23 I think it has been reported and stuff that SCE&G  
24 would move forward, you know, with or without the  
25 loan guarantees. That is still pretty much the

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case?

**MR. BYRNE:** Yeah, as of this point in time, we don't believe we need the loan guarantees to make our project go forward. We have already had some debt and some equity offerings that have been oversubscribed. So we think that the marketplace will provide the financing that we need. We intend to continue to monitor the loan guarantee program. If we see that the conditions are really favorable to our customers and the company, we might pursue them. But at this point in time, our position is that we can go forward with or without them.

**VICE CHAIRMAN WRIGHT:** Thank you. Well, again, I'm very impressed with the presentation. It's very thorough. Thank you, very much.

**MR. BYRNE:** Thank you.

**COMMISSIONER HAMILTON:** Mr. Chairman.

**CHAIRMAN HOWARD:** Commissioner Hamilton.

**COMMISSIONER HAMILTON:** Mr. Byrne, I'd like to join Commissioner Wright in congratulating you on an excellent presentation. It's very thorough, very transparent. And you answered my questions that I had, as we went through. One thing that I think was very positive today was the possibility of coming under -- \$1 billion under the projected

1 cost, and I think that would make everybody in this  
2 room and in South Carolina feel very proud.

3 **MR. BYRNE:** I don't want to get people too  
4 excited about that.

5 [Laughter]

6 **COMMISSIONER HAMILTON:** Well, we understand.  
7 But we're happy to hear you say it. It does sound  
8 good. I think maybe if we had some press on that,  
9 it would be a good day for all of us. But I do  
10 thank you for the work you've done. From seeing  
11 what I saw today, I don't think Chad  
12 overexaggerated too very much.

13 **MR. BYRNE:** Thank you.

14 **CHAIRMAN HOWARD:** Commissioners?

15 **COMMISSIONER HALL:** Mr. Chairman?

16 **CHAIRMAN HOWARD:** Commissioner Hall.

17 **COMMISSIONER HALL:** Thank you. Mr. Byrne, I  
18 especially appreciated your presentation. I'm kind  
19 of coming in at the tail end, so I appreciate that.

20 I just have one question. What is the plan --  
21 do you plan to proceed if Santee Cooper pulls out  
22 or if they reduce their interest? What will be the  
23 impact of that?

24 **MR. BYRNE:** Well, as of today, Santee Cooper  
25 is still a 45 percent partner. And while we have

1 an agreement with them, it would not be in our best  
2 interests to pursue other options. If Santee  
3 Cooper were to want to divest themselves of some of  
4 their interest in this plant, we believe that there  
5 are other partners that would be available to take  
6 up whatever interest they don't want. So our plans  
7 today would be to continue; but as of right now,  
8 the project is still SCE&G and Santee Cooper.

9 **CHAIRMAN HOWARD:** Commissioner Mitchell.

10 **COMMISSIONER MITCHELL:** Mr. Byrne, I too would  
11 like to thank all of you for being here, and  
12 certainly it was a great presentation.

13 If -- and I believe you probably answered both  
14 my questions, but I want to make sure you did. If,  
15 as Commissioner Hall phrased the question, down the  
16 road, supposedly, or if Santee Cooper were not to  
17 participate, would SCE&G participate in  
18 negotiations with other partners for 2 and 3, if  
19 that were to develop?

20 **MR. BYRNE:** Well, if it came to that point, we  
21 would be happy to participate in those  
22 negotiations. How those might transpire, I  
23 couldn't say today. But if there were to be a  
24 different partner, obviously we would come back to  
25 this Commission and let them know what that other

1 partner would look like.

2 **COMMISSIONER MITCHELL:** And my second  
3 question, which you covered very well, would you  
4 say approximately then, probably, more than 60  
5 percent of the employees now employed are from  
6 South Carolina, or is that too high of a number,  
7 working on the preconstruction?

8 **MR. BYRNE:** Well, if you include our  
9 employees, I think the number probably is 60  
10 percent. If you're looking at just the craft  
11 employees that Shaw and/or their subcontractors are  
12 bringing in, I think it's about 60 -- 60 percent of  
13 the Shaw workforce might be too high. I think we  
14 were looking at 60-some percent were small and  
15 minority businesses, and of those, I think it was  
16 -- I'm sorry, Shaw has around 350 employees working  
17 on the site, and I think we said about 60 percent  
18 were from South Carolina, and about 60 percent of  
19 those were from the four-county area. So maybe 60  
20 percent for the Shaw workforce. If you total up  
21 everybody working at the site and you included our  
22 SCE&G folks, who obviously all live here --

23 **COMMISSIONER MITCHELL:** Right.

24 **MR. BYRNE:** -- then I think you probably are  
25 at 60 percent, maybe above.

1                   **COMMISSIONER MITCHELL:** Okay. And I certainly  
2                   want to thank you, very much, for that  
3                   consideration, because with the tremendous expense  
4                   that we're going through, I certainly appreciate  
5                   consideration of South Carolina employees,  
6                   particularly during this depressed economy we have.  
7                   Thank you so much. I enjoyed the presentation.

8                   **MR. BYRNE:** Thank you.

9                   **CHAIRMAN HOWARD:** Commissioner Whitfield.

10                  **COMMISSIONER WHITFIELD:** Thank you, Mr.  
11                  Chairman. Mr. Byrne, I too would like to echo my  
12                  fellow Commissioners' comments. Very excellent --  
13                  and Chad Burgess's comments -- very excellent  
14                  presentation, very visual. We're very appreciative  
15                  having you here today in bringing this report to  
16                  us.

17                  You basically answered most of any questions I  
18                  had. I just wanted to know if there are any other  
19                  significant issues that may have arisen, other than  
20                  what you've covered, since your last quarterly  
21                  report.

22                  **MR. BYRNE:** Since the last -- I think most of  
23                  the issues we have, we had raised in the last  
24                  quarterly report. So that would've been the second  
25                  quarter, and I guess we're poised to turn in

1 another one about the 15th of November. There are  
2 still some issues in there that we are tracking.  
3 We have had some quality issues at some of the  
4 vendors overseas, and we have had some quality  
5 issues at one of the vendors in the US --  
6 specifically, the Shaw Modular Solutions, down in  
7 Lake Charles, Louisiana -- so we are following  
8 those very closely, and I know that the management  
9 of those companies are providing a lot of attention  
10 on it. Some of those are issues of documentation,  
11 but some of those are actual issues of workmanship  
12 or quality. And we need to make sure that our  
13 nuclear culture is ingrained in those workforces.

14 There is one forging that had to be scrapped  
15 at Doosan because of some indications that came up  
16 during the testing phase. But it has been re-  
17 forged and the new forging looks -- has passed  
18 where the previous one failed. So it looks like  
19 our oversight is catching problems, and when the  
20 problems get addressed, the vendors are fixing the  
21 problems. But there are still a couple of issues  
22 with some of those vendors that we're still  
23 following very closely.

24 **COMMISSIONER WHITFIELD:** You mentioned some of  
25 these components now, you've mentioned the forgings

1 and so forth. I guess you kind of have to be a  
2 little bit careful about what you say, but you made  
3 a comment about them only being produced over in  
4 the Far East and that you thought maybe in the  
5 future there could be some produced domestically.  
6 Did I catch that right?

7 **MR. BYRNE:** That's right.

8 **COMMISSIONER WHITFIELD:** And are you in a  
9 position to do anything if that changes, or are you  
10 locked in?

11 **MR. BYRNE:** We are locked in. We actually  
12 locked into the forgings -- because we wanted to  
13 make sure we reserved our place in line, so we  
14 reserved that place in line, I think it was right  
15 around the time we signed our contract --

16 **COMMISSIONER WHITFIELD:** Right, right.

17 **MR. BYRNE:** -- in 2008. So we're locked in  
18 with at least the large components. Now, there may  
19 be some smaller components that Westinghouse and/or  
20 Shaw is yet negotiating with folks for, that will  
21 be sourced from the US.

22 **COMMISSIONER WHITFIELD:** Thank you, Mr. Byrne.  
23 That's all I have, Mr. Chairman.

24 **CHAIRMAN HOWARD:** Okay. Mr. Byrne, I have one  
25 question. I think Revision 17 involved the

1 aircraft crashing into the tower or something? Is  
2 that what Revision 17 was?

3 **MR. BYRNE:** Well, actually, Revisions 16 and  
4 17 involved a lot of small design changes and a  
5 couple of big ones. Certainly, the biggest one and  
6 the one that took the most evaluation and most  
7 interface time between Westinghouse and the NRC was  
8 the issue of aircraft impact on the shield  
9 building.

10 **CHAIRMAN HOWARD:** You also mentioned that  
11 Revision 19 was administrative in nature. What was  
12 -- what is Revision 18?

13 **MR. BYRNE:** 18 is going to be -- they  
14 submitted 17. The staff of the NRC has had a  
15 chance to review that. They've asked hundreds of  
16 questions of Westinghouse. Those questions have  
17 largely been answered. What they want is a  
18 revision that takes -- if there were a change made,  
19 they want the changes made in a clean copy. So  
20 they'll get Revision 18 -- and, again, we  
21 anticipate that in December of this year -- and  
22 then, as they go forward with the process, it's  
23 mostly administrative for 19.

24 So 18 is going to be the changes that will be  
25 made. They'll be -- some of them could be

1 substantive changes, but the NRC has already seen  
2 them. They've asked the questions, and oftentimes  
3 the change is because of an NRC question that  
4 Westinghouse has now answered.

5 **CHAIRMAN HOWARD:** Thank you. And I'll echo  
6 the other Commissioners' thoughts on thoroughness  
7 of your presentation. My only problem is, you  
8 probably compromised your job security because  
9 everyone in the room, plus most of the  
10 Commissioners -- with the exception of probably  
11 Wright and Mitchell -- feel they're competent to do  
12 your job now, because they know so much about it.

13 [Laughter]

14 I do appreciate your coming. The presentation  
15 is thorough. Thank you, very much. The briefing  
16 is adjourned.

17 **MR. BYRNE:** Thank you.

18 [WHEREUPON, at 11:20 a.m., the ex parte  
19 proceedings in the above-entitled matter  
20 were adjourned.]

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C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had in an allowable ex parte briefing held in the above-captioned matter before the Public Service Commission of South Carolina.

Given under my hand, this the 21st day of October, 2010.

  
\_\_\_\_\_  
Jo Elizabeth M. Wheat, CVR-CM-GNSC

ATTEST:

  
\_\_\_\_\_  
Jocelyn G. Boyd,  
CHIEF CLERK/ADMINISTRATOR