**Post and Courier:**
**Reforms from VC Summer nuclear fiasco are pushing SC toward clean energy, advocates say**

By Chloe Johnson cjohnson@postandcourier.com
Sep 19, 2021
Source: https://www.postandcourier.com/news/reforms-from-vc-summer-nuclear-fiasco-are-pushing-sc-toward-clean-energy-advocates-say/article_7ba39164-14bb-11ec-af2c-53923eadfa54.html

A quiet transformation has been happening on a board that regulates South Carolina's power utilities — and could help herald the state's transition to cleaner energy.

The Public Service Commission weighs in on power companies' proposals for what types of energy they use. This year, the PSC ordered both Duke Energy's South Carolina subsidiaries and Dominion Energy South Carolina to make major revisions to their plans.

The panel told the investor-owned utilities that they needed more specific plans to address the removal of coal, the dirtiest of fuels used to keep the lights on today. As a result, both utilities are now planning to retire coal generation within a decade.

The move, among others, marked a sea change from just a few years ago, when the commission didn't question power companies' plans at all, and advocates who sent in comments on them were mostly ignored.

But the ramifications of a nuclear reactor project known as V.C. Summer that fell apart in 2017 helped usher in reform passed by legislators two years later. Among the changes were more allowances to grow the state's share of solar power; but less-noticed reforms at the PSC, environmental advocates say, could have even more impact in a state without clean energy rules.

"It's a very significant thing because the energy we all use every day, at home and in our businesses, that is our climate impact," said Eddy Moore, energy and climate program director at the Coastal Conservation League.

**Disaster and reform**

The PSC is a seven-member panel elected by state legislators. It scrutinizes electric companies' plans for reliability and cost. They are tasked with reviewing, for example, the complicated calculations that determine whether a utility builds a new natural gas plant or buys power from a solar farm.

It was "historically, completely new" that Duke and Dominion's long-term plans, known as IRPs, weren't accepted as-is this year, Moore said.

Previously, state regulators on the PSC would essentially rubber stamp the IRPs, and then check on how they performed later — maybe telling utilities that they couldn't charge ratepayers for something if it turned out to be unjustified, but not intervening beforehand. Now, the PSC has to approve or deny the documents, and public interest groups and businesses can weigh in, too.

That changed because of the dramatic implosion of the project to expand the V.C. Summer facility in Fairfield County. Cost overruns and construction delays on the project ran up a $9 billion tab before it fell apart. Former power executives involved in that episode are still facing court sentences and trials.

Part of the problem revealed by the fiasco was that utilities had undue influence over the PSC, said state Rep. Tom Davis, R-Beaufort.

Two years after the problems were revealed, state legislators passed 2019's Energy Freedom Act. The legislation "put the PSC on notice that we expected them to be this independent oversight body, not just an entity that does the bidding of the utilities," said Davis, one of the authors of the 2019 reform law.

And it also demanded that the utilities look at a whole suite of technologies, including renewables, said Kate Mixson, a staff attorney for the Southern Environmental Law Center who has worked on cases before the PSC.

"Both Duke and Dominion are now acknowledging that coal isn't the future," she said.

**Changing the power mix**

Armed with a new mandate to focus on the needs of electric ratepayers, the PSC told Duke and Dominion they had to revise significant portions of the original plans they presented.

Duke originally laid out six scenarios for its future energy mix but didn't say which one it planned to pursue. In its updated plan, the utility committed to moving away from coal and adding "a diverse mix of solar, wind, and natural gas with a reasonably paced growth of energy storage to meet customers' electricity needs over the planning horizon," said Ryan Mosier, a Duke spokesman.

For Dominion, the utility didn't include coal retirements within the next 15 years in its first plan. The commission told Dominion it had to include a lower-carbon energy mix, including solar power and battery storage, in updates to its plan.

"Our current (IRP) presents alternative plans that provide customers a path to clean, renewable energy while allowing technologies to mature," said Paul Fischer, a Dominion spokesperson.

Now, both Duke and Dominion plan to close their remaining coal-fired plants within this decade. (Duke does not run any coal stations in South Carolina but feeds the state power from North Carolina coal plants.)

Moving electrical systems away from dirty fuels is important for a few reasons. Fuels such as coal and natural gas release greenhouse gases when they are burned, the planet-insulating forces that are making Earth hotter and driving climate change.

So making electricity come from cleaner sources such as solar farms stops those emissions and helps herald the transition of other dirty technologies, Moore said. Plugging in an electric car, for example, means little if the electricity powering them came from coal, he said.

As of May, most of the state's power, almost 57 percent, came from nuclear generation, according to the U.S. Energy Information Administration. Natural gas provided about 22 percent of the state's energy that month, and coal was slightly more than 13 percent.

Non-hydroelectric renewables — in other words, wind and solar — were near the bottom of the list, at just over 5 percent.

But coal alone accounts for two-thirds of South Carolina's power plant pollution, Moore said. Shuttering those is key to the climate solution.

"This is not some unsolvable problem," he added.

**Pushing forward**

The question, though, is whether current regulatory changes alone will push South Carolina's emissions low enough to help avert the worst effects of global warming. The state does not have a clean energy standard mandating how much energy should come from wind or solar power.

Moore was optimistic, pointing out that the changes happening at the PSC will guide South Carolina — regardless of who's occupying the White House and determining federal climate policy.

"One way is to say we've got to reduce climate emissions, so we'll set a goal," Moore said. "Another way is to say we'll scrutinize all the costs (as the PSC does). ... It just happens we'll end up with a very similar answer."

But Hamilton Davis of solar power developer Southern Current said that the climate problem won't be solved by each state acting on its own, even if South Carolina is making progress. He has no relation to state legislator Tom Davis.

"A national clean energy policy, I think, is a more efficient way to move this country and this state to where we need to be," Hamilton Davis said.

Tom Davis is also part of a new study committee in the General Assembly to examine the state's energy markets. Part of the inquiry will look at how to account for the climate impacts of dirtier fuels in their cost. Depending on what legislators do, that could push things further toward renewable energy during future proceedings before the PSC.

"Not all the costs of production are included when you talk about natural gas or coal or other things," Tom Davis said.

The bigger question in the coming year, though, will be how to replace the coal plants that utilities plan to shut down. It will be a key issue in Duke's upcoming 2022 IRP, said Mosier, the Duke spokesman.

The PSC has also opened a new case to investigate specifically how Dominion will replace its coal facilities, a proceeding that will unfold over the next year. The utility has said before it would mostly use natural gas to make up the difference.

But while natural gas avoids some of the problems of coal, such as mercury pollution, it carries its own climate risks. The New York Times and others have documented methane leaks from gas sites, a pernicious problem, because methane is one of the most potent greenhouse gases.

*Reach Chloe Johnson at 843-735-9985. Follow her on Twitter @_ChloeAJ*.