



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NSIC

Docket No. 50-395

DEC 08 1980

1980 DEC 12 AM 11 11
INVESTIGATION
UNIT
US NRC
DIVISION SERVICES
BRANCH

Mr. T. C. Nichols, Jr.
Vice President & Group Executive
Nuclear Operations
South Carolina Electric & Gas Company
P. O. Box 764
Columbia, South Carolina 29281

Dear Mr. Nichols:

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION

Our review of your application indicates that updated information is required in order for us to complete our review of financial qualifications. The information that we require is identified in the enclosure.

We request that you provide this information not later than December 31, 1980. If you require any clarification of these matters, please contact the staff's assigned project manager.

Sincerely,

Robert L. Tedesco
Assistant Director for Licensing
Division of Licensing

Enclosure:
Request for Additional
Information

cc w/enclosure:
See next page

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Mr. T. C. Nichols, Jr.
Vice President & Group Executive
Nuclear Operations
South Carolina Electric & Gas Company
P. O. Box 764
Columbia, South Carolina 29281

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cc: Mr. William A. Williams, Jr.
Vice President
South Carolina Public Service Authority
223 North Live Oak Drive
Moncks Corner, South Carolina 29461

J. B. Knotts, Jr., Esq.
Debevoise & Liberman
1200 17th Street, N. W.
Washington, D. C. 20036

Mr. Mark B. Whitaker, Jr.
Group Manager - Nuclear Engineering & Licensing
South Carolina Electric & Gas Company
P. O. Box 764
Columbia, South Carolina 29218

Mr. Brett Allen Bursey
Route 1, Box 93C
Little Mountain, South Carolina * 29076

Resident Inspector/Summer NPS
c/o U. S. NRC
Route 1, Box 64
Jenkinsville, South Carolina 29065

REQUEST FOR ADDITIONAL FINANCIAL INFORMATION

VIRGIL C. SUMMER NUCLEAR STATION, UNIT 1

DOCKET NO. 50-395

- 1.a. Provide an update of the estimated annual cost by year to operate the subject facility for the first five full years of commercial operation. The types of costs included in the estimates should be indicated and included (but not necessarily be limited to) operation and maintenance expense (with fuel costs shown separately), taxes and a reasonable return on investment. (Enclosed is a form which should be used for each year of the five year period.) Indicate the projected plant capacity for the unit each year.
- b. Indicate the unit price per KWH experienced by each applicant on system wide sales of electric power to all customers for the most recent 12-month period.
2. Provide a revised statement of the estimated cost of permanently shutting down the facility, a listing of what is included in such costs, the assumptions made in estimating the costs, the type of shutdown contemplated, and the expected source(s) of funds to cover these costs. Supply a copy of any document referenced in your response thereto.
3. Provide an updated estimate of the annual cost to maintain the shutdown facility in a safe condition. Indicate what is included in the estimate,

assumptions made in estimating costs, and the expected source(s) of funds to cover these costs.

4. If revised since the last submittal, provide a copy of joint participation agreement setting forth the procedure by which the applicants will share operating expenses and, if necessary, de-commissioning costs.
5. With respect to South Carolina Electric and Gas Company:
 - a. Provide copies of:
 - 1) the 1979 annual reports to stockholders;
 - 2) the most recent interim financial statements;
 - 3) the prospectus for the company's most recent security issue;
 - 4) the preliminary prospectus for any pending security issue; and
 - 5) the 1979 SEC Form 10-K and the most recent SEC Form 10-Q.

Continue to submit copies of the annual report for each year thereafter as required by 10 CFR 50.71(b).

- b. Describe updated aspects of the company's regulatory environment including, but not necessarily limited to, the following: test year utilized (describe nature and timing); prescribed treatment of allowance for funds used during construction and of construction work in progress (indicate percentage and amount included in rate base); form of rate base (original cost, fair value, other (describe)); accounting for deferred income taxes and investment tax credits; and fuel adjustment clauses in effect or proposed.

- c. Describe the nature and amount of the Company's most recent rate relief action and the anticipated effect on revenues. In addition, indicate the nature, status, and amount of any pending rate relief proceedings, if any. Use the attached form to provide this information. Provide copies of the hearing examiner's report and recommendation and the interim and final rate orders and opinions, including all exhibits referred to therein. Provide copies of the submitted, financially-related testimony and exhibits of the staff and company in the most recent rate relief action or pending rate relief request.
 - d. Complete the enclosed form entitled, "Financial Statistics," for the calendar year 1979, and for the most recent 12-month period.
6. With respect to the South Carolina Public Service Authority:
- a. Provide copies of the audited 1979 and the most recent 12-month financial statements, including the most recent audit report. Continue to submit copies of the audited annual financial report for each year thereafter as required by 10 CFR 50.71(b).
 - b. Describe the nature and amount of the most recent and pending rate relief action(s) and its anticipated effect of net margins.
 - c. Provide the most recent official statement on bond offerings.

ATTACHMENT FOR ITEM NO. 1.a.

ESTIMATED ANNUAL COST OF OPERATING NUCLEAR GENERATING
UNIT: VIRGIL C. SUMMER NUCLEAR STATION, UNIT NO. 1
FOR THE CALENDAR YEAR 19

(thousands of dollars)

Operation and maintenance expenses

Nuclear power generation

Nuclear fuel expense (plant factor %) \$
Other operating expenses
Maintenance expenses
Total nuclear power generation

Transmission expenses

Administrative and general expenses

Property and liability insurance
Other A.&G. expenses
Total A.&G. expenses

TOTAL O&M EXPENSES

Depreciation expense

Taxes other than income taxes

Property taxes
Other
Total taxes other than income taxes

Income taxes - Federal

Income taxes - other

Deferred income taxes - net

Investment tax credit adjustments - net.

Return (rate of return: %)

TOTAL ANNUAL COST OF OPERATION \$

ATTACHMENT FOR ITEM NO. 5.b.

RATE DEVELOPMENTS

Electric Gas Steam

Granted

Test year utilized
Annual amount of revenue increase requested-
test year basis (000's)
Date petition filed
Annual amount of revenue increase allowed-
test year basis (000's)
Percent increase in revenues allowed
Date of final order
Effective date
Rate base finding (000's)
Construction work in progress included in
Rate base (000's)
Rate of return on rate base authorized
Rate of return on common equity authorized

Revenue Effect (000's)

Amount received in year granted
Amount received in subsequent year
(If not available, annualize amounts
received in year granted)

Pending Requests

Test year utilized
Amount (000's)
Percent increase
Date petition filed
Date by which decision must be issued
Rate of return on rate base requested
Rate of return on common equity requested
Amount of rate base requested
Amount of construction work in progress
requested for inclusion in rate base

ATTACHMENT FOR ITEM NO. 5.d.
FINANCIAL STATISTICS

12 months' ended
1979

(dollars in millions)

Earnings available to common equity
Average common equity
Rate of return on average common equity

Times total interest earned before FIT:
Gross income (both including and excluding
AFDC) + current and deferred FIT ÷ total
interest charges + amortization of debt
discount and expense

Times long-term interest earned before FIT:
Gross income (both including and excluding
AFDC) + current and deferred FIT ÷ long-
term interest charges + amortization of
debt discount and expense

Bond ratings (end of period)
Standard and Poor's
Moody's

Times interest and preferred dividends earned
after FIT:
Gross income (both including and excluding
AFDC) ÷ total interest charges + amortization
of debt discount and expense + preferred
dividends.

AFUDC
Net income after preferred dividends
%

Market price of common
Book value of common
Market-book ratio (end of period)*

Earnings avail. for common less AFDC +
depreciation and amortization, deferred
taxes, and invest. tax credit adjust.-
deferred.

Common dividends
Ratio

Short-term debt
Bank loans
Commercial paper

Capitalization (Amount & Percent)
Long-term debt
Preferred stock
Common equity

* If subsidiary company, use parent's data.