

Fact Sheet: V.C. Summer Units 2 and 3

Key Dates

- 2008: Submitted license application to NRC in March, contracted with Westinghouse in May. Completion dates set at April 2016 (Unit 2) and January 2019 (Unit 3).
- 2012: NRC awarded construction/operating license in March, we gave Westinghouse notice to proceed in April. In June, completion date for Unit 2 moved out 11 months to March 2017 and Unit 3 completion date advanced to May 2018. Westinghouse stalled on producing resource-loaded integrated project schedule as delays began mounting.
- 2013: In February, construction partner changed when CB&I acquired Shaw/Stone & Webster. In March, 1st nuclear concrete poured. In June, Westinghouse advised new completion dates would be 9-12 months later for Unit 2 (4Q2017-1Q2018) and 10 months later for Unit 3 (Mar 2019). Owners began withholding payments and forced Westinghouse to address module production delays by spreading work among more contractors.
- 2014: Westinghouse advises in August of further delays in completion dates of up to 15 months for Unit 2 (June 2019) and 15 months for Unit 3 (June 2020). Westinghouse continued to defer on producing resource-loaded integrated project schedule.
- 2015: Owners insisted on renegotiating contract and discussions began. In October, owners and Westinghouse announced contract amendment with fixed price option, Westinghouse acquisition of CB&I assets and Fluor as construction manager. Completion dates were extended another 2-8 months for Unit 2 (Aug 2019) and 2 months for Unit 3 (Aug 2020).
- 2016: In June, the Santee Cooper Board authorized Fixed Price Option contingent upon PSC approval. The PSC approved the Fixed Price Option in November and it became effective. One month later, in December, Westinghouse notified owners of significant financial difficulties.
- December 2016: Westinghouse and Toshiba signaled financial difficulties.
- 2017: In January, Toshiba announced an expected multibillion-dollar write-down related to Westinghouse's situation. Westinghouse filed for bankruptcy and disclosed the lack of a resource-loaded integrated project construction schedule in March.

The Path Forward

- Based on Westinghouse's original contract, Santee Cooper budgeted \$5.1 billion for its 45% share to build these two units. According to a just-completed comprehensive analysis of the project, Westinghouse's delays and overruns mean Santee Cooper customer will actually have to pay \$8 billion to finish the units - 57% more than the original 2008 contract and 29% more than the Fixed Price that Westinghouse agreed to and that became effective just 8 months ago.
- With interest costs included, Santee Cooper's total project cost is now projected to be \$11.4 billion, 75 percent more than originally planned.
- The new analysis shows estimated substantial completion dates now of August 2023 for Unit 2 and November 2024 for Unit 3 – 48 months and 51 months later than the Fixed Price Contract dates.
- Santee Cooper customers would face rate additional increases totaling 41 percent if we finished both units, the analysis shows. The units would drive our cost of power up to 10.6 cents/kWh by 2030, nearly 40 percent higher than today's 7.5 cents/kWh cost.
- We need a construction suspension so that we can pursue additional resources. Without new resources, such as additional utility partners or federal revenues, South Carolina cannot afford to complete these nuclear units.
- Nuclear power should remain an important part of the U.S. energy mix. It is the only base load generation that is virtually emissions free, and it traditionally has featured low operating costs.
- Even considering these project challenges, Santee Cooper is proud to be part of this initial effort to restart a 30-years-dormant industry. We remain hopeful that this suspension will provide the time to gather a coalition that will support an economical finish that benefits customers, the state and the nation.