

Energy Office Review of Santee Cooper 2018 Integrated Resource Plan

The ORS Energy Office (Energy Office) pursuant to SC Code Section 58-37-40(C) provides the following evaluation of Santee Cooper's 2018 Integrated Resource Plan (IRP).

SC Code Section 58-37-40(C) states, "The State Energy Office, to the extent practicable, shall evaluate and comment on external environmental and economic consequences of each integrated resource plan submitted and on the environmental and economic consequences for suppliers and distributors."

Through the Energy Office's development of the State Energy Plan, a study committee was established to evaluate South Carolina's IRP process. This committee consisted of diverse representation to include state agencies, conservationists, special interest groups, electric utilities, and electric cooperatives. The committee met frequently to develop IRP <u>Guidelines</u>. On December 15, 2017, the IRP study committee adopted the IRP Guidelines by consensus. These guidelines include best practices to be considered when electric utilities develop annual IRPs. The Energy Office's review of IRPs is based on these guidelines.

On November 30, 2018, Santee Cooper submitted its 2018 IRP to the Energy Office. On February 19, 2019, the Energy Office requested additional information from Santee Cooper relating to its IRP submittal. Santee Cooper submitted responses on March 4, 2019. One question referred to the best practices included in the IRP Guidelines.

Energy Office Request:

With reference to the consensus IRP Best Practices Guidelines produced by the State Energy Plan IRP Study Committee, please discuss how Santee Cooper has addressed each best practice listed below in its 2018 IRP.

Santee Cooper Response:

Santee Cooper is currently evaluating the integration of the proposed best practices developed through a collaborative process including the SC Energy Office, conservationists, utilities and other interested parties.

During the study committee discussions, the electric utilities agreed to evaluate their current IRP process and incorporate the IRP Guidelines as appropriate. The Energy Office encourages Santee Cooper to incorporate the IRP Guidelines into future IRPs, as appropriate.

Additionally, the Energy Office encourages Santee Cooper to:

- 1. Consider advancing additional cost-effective renewable energy, energy storage, energy efficiency, demand side management and purchase options as part of its resource portfolio.
- 2. Provide more context and further discuss pending and existing environmental regulations on the generation fleet.
- 3. Incorporate public participation as part of its IRP process, as recommended in the consensus IRP Best Practices.