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Jaynie Jordan Executive Assistant

### **Public Utilities SUBCOMMITTEE**

Wednesday, March 20, 2019

9:00 am

#### **403 Blatt Building**

#### Honorable P. Michael "Mike" Forrester, Chairman

The Honorable Craig A. Gagnon
The Honorable Kevin Hardee
The Honorable Joseph H. Jefferson, Jr.
The Honorable David J. Mack, III

The Honorable Russell L. Ott The Honorable McLain R. "Mac" Toole The Honorable John "Jay" West, IV The Honorable W. Brian White

## **AGENDA**

H. 3780 -- Reps. White, Hixon, Taylor, Cobb-Hunter, Funderburk, Anderson and Hewitt: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 3 TO CHAPTER 7, TITLE 59 SO AS TO CREATE THE "GROWING RURAL ECONOMIES WITH ACCESS TO TECHNOLOGY (GREAT) PROGRAM", TO FACILITATE THE DEPLOYMENT OF BROADBAND TO UNSERVED AREAS OF THE STATE, TO PROVIDE DEFINITIONS, TO ESTABLISH THE GROWING RURAL ECONOMIES WITH ACCESS TO TECHNOLOGY FUND, TO PROVIDE THAT ANY PROPERTY OWNED BY A MUNICIPALITY MAY BE LEASED OR RENTED IN CERTAIN SITUATIONS, TO PROVIDE THAT A MUNICIPALITY-OWNED UTILITY MAY BE LEASED, TO PROVIDE THAT A MUNICIPALITY IS AUTHORIZED TO SELL OR LEASE ANY PUBLIC ENTERPRISE THAT IT OWNS, TO PROVIDE THAT THE STATE SHALL ALLOW COLLOCATION, INSTALLATION, AND OPERATION OF CERTAIN EQUIPMENT BY A BROADBAND PROVIDER ON ANY EXISTING STRUCTURES, AND TO PROVIDE FOR A MONTHLY 911 SERVICE CHARGE; AND TO DESIGNATE THE EXISTING PROVISIONS OF CHAPTER 7, TITLE 59 AS "ARTICLE 1, GENERAL PROVISIONS".

**H. 3408** -- Rep. Caskey: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTIONS 37-6-610 AND 37-6-611 SO AS TO REQUIRE THE CONSUMER ADVOCATE TO AVOID CERTAIN CONFLICTS OF INTEREST, TO PROHIBIT THE CONSUMER ADVOCATE FROM SEEKING EMPLOYMENT WITH A PUBLIC UTILITY WHILE SERVING AS THE CONSUMER ADVOCATE AND FROM REPRESENTING A PUBLIC UTILITY IN CERTAIN PROCEEDINGS BEFORE THE PUBLIC SERVICE COMMISSION FOR A PERIOD OF ONE YEAR AFTER THE TERMINATION OF HIS SERVICE AS THE CONSUMER ADVOCATE, TO PROVIDE PENALTIES FOR VIOLATIONS, TO PROHIBIT EMPLOYEES OF THE DEPARTMENT OF CONSUMER AFFAIRS FROM SOLICITING, RECEIVING, OR ACCEPTING ANYTHING OF VALUE FROM AN ENTITY THAT IS REGULATED BY

THE DEPARTMENT OR SUBJECT TO THE DEPARTMENT'S JURISDICTION, TO PROHIBIT ENTITIES THAT ARE REGULATED BY THE DEPARTMENT OR SUBJECT TO THE DEPARTMENT'S JURISDICTION FROM OFFERING, FACILITATING, OR PROVIDING ANYTHING OF VALUE TO DEPARTMENT EMPLOYEES. TO PROVIDE THAT A PERSON MAY NOT BE EMPLOYED BY THE DEPARTMENT IF THE DEPARTMENT REGULATES A BUSINESS WITH WHICH THE PERSON IS ASSOCIATED, AND TO PROVIDE PENALTIES FOR VIOLATIONS; BY ADDING SECTION 58-3-565 SO AS TO ESTABLISH CERTAIN ETHICAL STANDARDS FOR MEMBERS OF THE PUBLIC UTILITIES REVIEW COMMITTEE AND THE PUBLIC UTILITIES, AFFILIATES OF A PUBLIC UTILITIES, ASSOCIATIONS REPRESENTING PUBLIC UTILITIES, OR OTHER PERSONS OR ENTITIES WHOSE BUSINESSES ARE REGULATED, WHETHER WHOLLY OR IN PART, BY THE OFFICE OF REGULATORY STAFF OR THE PUBLIC SERVICE COMMISSION: TO AMEND SECTION 33-49-630, RELATING TO COMPENSATION OR EMPLOYMENT OF A MEMBER OF AN ELECTRIC COOPERATIVE BOARD OF TRUSTEES, SO AS TO PROHIBIT A TRUSTEE FROM SOLICITING, RECEIVING, OR ACCEPTING ANYTHING OF VALUE FROM THE ELECTRIC COOPERATIVE IN ADDITION TO HIS COMPENSATION FOR SERVING ON THE BOARD OF TRUSTEES AND FROM HAVING A BUSINESS RELATIONSHIP WITH THE ELECTRIC COOPERATIVE THAT IS DISTINCT FROM OR IN ADDITION TO THE TRUSTEE'S MANDATORY COOPERATIVE MEMBERSHIP OR HIS SERVICE ON THE BOARD OF TRUSTEES: TO AMEND SECTION 58-3-25, RELATING TO CONFLICTS OF INTEREST AND MEMBERS AND EMPLOYEES OF THE PUBLIC SERVICE COMMISSION, SO AS TO PROHIBIT COMMISSION EMPLOYEES FROM HAVING CERTAIN BUSINESS RELATIONSHIPS WITH BUSINESSES REGULATED BY THE COMMISSION AND TO PROHIBIT SOLICITING. RECEIVING, ACCEPTING, OFFERING, OR PROVIDING THINGS OF VALUE BETWEEN COMMISSION EMPLOYEES AND PERSONS OR ENTITIES REGULATED BY THE COMMISSION: TO AMEND SECTION 58-3-30, RELATING TO THE COMMISSIONERS OF THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE COMMISSIONERS AND THEIR EMPLOYEES TO ATTEND AT LEAST SIX HOURS OF CONTINUING EDUCATION CURRICULUM AND TO ESTABLISH OTHER ETHICAL STANDARDS AND PRACTICES; TO AMEND SECTION 58-4-40, RELATING TO CONFLICTS OF INTEREST AND THE EXECUTIVE DIRECTOR AND EMPLOYEES OF THE OFFICE OF REGULATOR STAFF, SO AS TO PROHIBIT OFFICE OF REGULATORY STAFF EMPLOYEES FROM HAVING CERTAIN BUSINESS RELATIONSHIPS WITH BUSINESSES REGULATED BY THE OFFICE OF REGULATORY STAFF AND TO PROHIBIT SOLICITING, RECEIVING, ACCEPTING. OFFERING, OR PROVIDING THINGS OF VALUE BETWEEN OFFICE OF REGULATORY STAFF EMPLOYEES AND PERSONS OR ENTITIES REGULATED BY THE OFFICE OF REGULATORY STAFF; AND TO AMEND SECTION 58-31-20, RELATING TO THE BOARD OF DIRECTORS OF THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY, SO AS TO, AMONG OTHER THINGS, REVISE THE QUALIFICATIONS FOR MEMBERSHIP ON THE PUBLIC SERVICE AUTHORITY BOARD OF DIRECTORS.

**H. 3641** -- Reps. Clary, McCoy, W. Newton, Simrill, Pope, Caskey and G.M. Smith: A BILL TO AMEND SECTION 58-3-20, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE COMPOSITION OF THE PUBLIC SERVICE COMMISSION, SO AS TO REVISE THE MEMBERSHIP; TO AMEND SECTION 58-3-30, RELATING TO THE COMMISSIONERS OF THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE COMMISSIONERS AND THEIR EMPLOYEES TO ATTEND AT LEAST SIX HOURS OF CONTINUING EDUCATION CURRICULUM, AND TO SPECIFY CERTAIN REIMBURSEMENT PROVISIONS; TO AMEND SECTION 58-3-60, RELATING TO THE PUBLIC SERVICE COMMISSION, SO AS TO DELETE A PROVISION FORBIDDING THE AUDIT OF PUBLIC UTILITIES; TO AMEND SECTION 58-3-190, RELATING TO AUDITS BY THE OFFICE OF REGULATORY STAFF, SO AS TO AUTHORIZE THE PUBLIC SERVICE COMMISSION TO DIRECT THE OFFICE OF REGULATORY STAFF TO CONDUCT CERTAIN EXAMINATIONS; TO AMEND SECTION 58-3-200, RELATING TO CERTAIN INSPECTIONS, SO AS TO AUTHORIZE THE PUBLIC SERVICE

COMMISSION TO TAKE CERTAIN ACTIONS IN THE FURTHERANCE OF ITS DUTIES; TO AMEND SECTION 58-3-225, RELATING TO THE CONDUCT OF MEETINGS OF THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE COMMISSIONERS TO QUESTION THE PARTIES THOROUGHLY DURING HEARINGS OF CONTESTED CASES WHEN APPROPRIATE; TO AMEND SECTION 58-3-260, RELATING TO COMMUNICATIONS WITH THE PUBLIC SERVICE COMMISSION, SO AS TO ALLOW THE PUBLIC UTILITIES REVIEW COMMITTEE AND CERTAIN OTHER LEGISLATIVE OVERSIGHT COMMITTEES TO COMMUNICATE WITH THE PUBLIC SERVICE COMMISSION IN CERTAIN CIRCUMSTANCES; TO AMEND SECTION 58-3-530, RELATING TO THE PUBLIC UTILITIES REVIEW COMMITTEE, SO AS TO AUTHORIZE THE NOMINATION OF ALL QUALIFIED CANDIDATES TO THE PUBLIC SERVICE COMMISSION; AND TO AMEND SECTION 58-3-560, RELATING TO THE ELECTION OF MEMBERS TO THE PUBLIC SERVICE COMMISSION, SO AS TO REQUIRE THE ELECTION TO BE HELD WITHIN A CERTAIN TIME PERIOD AFTER THE SCREENING AND NOMINATION PROCESS, AND TO IMPOSE CERTAIN NOMINATION QUALIFICATIONS.

**H. 3642** -- Reps. Clary, McCoy, W. Newton, Simrill, Pope, Caskey and G.M. Smith: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING ARTICLE 6 TO CHAPTER 3, TITLE 58 SO AS TO CREATE THE UTILITY OVERSIGHT COMMITTEE AND TO PROVIDE FOR THE COMPOSITION, DUTIES, AND ADMINISTRATION OF THE COMMITTEE; TO AMEND SECTION 58-4-30, RELATING TO THE EXECUTIVE DIRECTOR OF THE OFFICE OF REGULATORY STAFF, SO AS TO REQUIRE THE OVERSIGHT COMMITTEE TO NOMINATE INTERIM AND PERMANENT EXECUTIVE DIRECTORS AND TO ALLOW THE COMMITTEE TO REMOVE THE EXECUTIVE DIRECTOR; TO REPEAL ARTICLE 5, CHAPTER 3, TITLE 58 RELATING TO THE STATE REGULATION OF PUBLIC UTILITIES REVIEW COMMITTEE; AND TO AMEND SECTIONS 8-13-935, 58-3-5, 58-4-5, 58-9-280, 58-9-2689, 58-27-2630, 58-31-20, AND 58-39-140, ALL RELATING TO UTILITIES AND THE REGULATION AND OVERSIGHT OF UTILITIES, SO AS TO MAKE CONFORMING CHANGES.

**H. 4194** -- Rep. Clary: A BILL TO AMEND SECTION 58-3-30, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE COMMISSIONERS OF THE PUBLIC SERVICE COMMISSION, SO AS TO ALLOW THE COMMISSIONERS AND COMMISSION EMPLOYEES TO BE REIMBURSED FOR CERTAIN EXTRA-JUDICIAL ACTIVITIES AND TO SPECIFY REQUIREMENTS FOR REIMBURSEMENT.

H. 4260 -- Reps. Caskey, Clary, Lucas, Sandifer and Simrill: A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, TO ENACT THE "SOUTH CAROLINA RATEPAYER PROTECTION ACT OF 2019" BY ADDING SECTIONS 8-27-70, 8-27-80, AND 8-27-90 ALL SO AS TO PROVIDE PROTECTIONS FOR EMPLOYEES OF A PUBLIC UTILITY WHO REPORT WRONGDOING BY THE UTILITY AND TO PROVIDE REMEDIES FOR EMPLOYEES WHO ARE DISMISSED OR SUFFER ADVERSE EMPLOYMENT ACTIONS BECAUSE OF A REPORT OF WRONGDOING; BY ADDING SECTIONS 37-6-610, 37-6-611, AND 37-6-612 ALL SO AS TO PROVIDE THAT NO PERSON MAY SERVE AS THE CONSUMER ADVOCATE IF THE PUBLIC SERVICE COMMISSION REGULATES A BUSINESS WITH WHICH THAT PERSON IS ASSOCIATED, AND TO PLACE RESTRICTIONS ON FUTURE EMPLOYMENT AND SPECIFIED ETHICAL REQUIREMENTS ON THE CONSUMER ADVOCATE AND EMPLOYEES OF THE DEPARTMENT OF CONSUMER AFFAIRS, AND TO PROVIDE CRIMINAL PENALTIES FOR VIOLATIONS: TO AMEND SECTION 58-3-20, RELATING TO THE PUBLIC SERVICE COMMISSION, SO AS TO DELETE PROVISIONS WHICH PERMIT THE REVIEW COMMITTEE TO FIND A CANDIDATE QUALIFIED IF HE DOES NOT HAVE THE BACKGROUND OR EXPERTISE REQUIRED BY LAW AND PROVISIONS WHICH PERMIT CERTAIN INCUMBENT COMMISSIONERS TO BE REELECTED WHO DO NOT MEET THESE QUALIFICATIONS; BY ADDING SECTIONS 58-3-21 AND 58-3-22 BOTH SO AS TO AUTHORIZE MILEAGE AND SUBSISTENCE ALLOWANCES FOR PUBLIC

SERVICE COMMISSIONERS, AND TO PROVIDE THAT MEMBERS OF THE COMMISSION ARE NOT PROHIBITED FROM CONSULTING WITH RETAINED EXPERTS AND ATTORNEYS IN CLOSED SESSION IN A MANNER CONSISTENT WITH THE APPELLATE COURTS OF THIS STATE; TO AMEND SECTION 58-3-25. RELATING TO CONFLICTS OF INTEREST OF MEMBERS OF THE PUBLIC SERVICE COMMISSION AND EMPLOYEES OF THE COMMISSION, SO AS TO FURTHER PROVIDE FOR THE CIRCUMSTANCES WHICH ARE CONSIDERED CONFLICTS, AND TO DELETE A REQUIREMENT FOR CERTAIN FILINGS BY EMPLOYEES; TO AMEND SECTION 58-3-30, RELATING TO CODES OF CONDUCT OF COMMISSIONERS AND EMPLOYEES OF THE COMMISSION, SO AS TO FURTHER PROVIDE FOR THE CODE OF CONDUCT AND PERMISSIBLE ACTIONS AND PRACTICES OF COMMISSIONERS AND EMPLOYEES OF THE COMMISSION, AND TO REQUIRE ANNUAL CONTINUING EDUCATION FOR COMMISSIONERS AND EMPLOYEES; TO AMEND SECTIONS 58-3-60, 58-3-190, AND 58-3-200, ALL RELATING TO AUDITS AND EXAMINATIONS OF PUBLIC UTILITIES, SO AS TO DELETE A PROVISION WHICH PROVIDES THAT THE INSPECTION, AUDIT, AND EXAMINATION OF PUBLIC UTILITIES IS THE SOLE RESPONSIBILITY OF THE OFFICE OF REGULATORY STAFF AND NOT THE COMMISSION, AND TO PERMIT THE COMMISSION TO DIRECT THE OFFICE OF REGULATORY STAFF TO AUDIT OR EXAMINE PUBLIC UTILITIES AND THE AUTHORITY OF THE COMMISSION TO UNDERTAKE THESE ACTIONS ON ITS OWN: BY ADDING SECTION 58-3-65 SO AS TO PROVIDE THAT THE PUBLIC SERVICE COMMISSION MAY EMPLOY, THROUGH CONTRACT OR OTHERWISE, THIRD-PARTY CONSULTANTS AND EXPERTS IN CARRYING OUT ITS DUTIES IF THE COMMISSION DETERMINES IT IS IN THE BEST INTEREST OF RATEPAYERS AND IT IS APPROVED BY THE PUBLIC UTILITIES REVIEW COMMITTEE: TO AMEND SECTION 58-3-225, RELATING TO CONDUCT OF HEARINGS BY THE COMMISSION, SO AS TO PROVIDE THAT BEFORE MAKING A DETERMINATION, THE COMMISSION SHALL QUESTION THE PARTIES THOROUGHLY DURING HEARINGS OF CONTESTED CASES WHEN APPROPRIATE; TO AMEND SECTION 58-3-260, RELATING TO THE PROHIBITION AGAINST COMMUNICATIONS BETWEEN THE COMMISSION AND PARTIES TO A PROCEEDING, SO AS TO PERMIT CERTAIN COMMUNICATIONS BETWEEN THE COMMISSION AND THE PUBLIC UTILITIES REVIEW COMMITTEE, AND A LEGISLATIVE COMMITTEE CHARGED WITH REVIEW OF THE COMMISSION; BY ADDING SECTIONS 58-3-281, 58-3-282, 58-3-283, 58-3-284, 58-3-285, 58-3-286, AND 58-3-287 ALL SO AS TO IMPOSE CERTAIN CIVIL AND CRIMINAL PENALTIES AND SANCTIONS AGAINST A PUBLIC UTILITY WHICH VIOLATES THE PROVISIONS OF TITLE 58 OR REFUSES TO OBEY A RULE. ORDER, OR REGULATION OF THE OFFICE OF REGULATORY STAFF OR THE COMMISSION, OR WHICH FILES OR SUBMITS FALSE INFORMATION, INCLUDING A REQUIREMENT THAT THE PRINCIPAL EXECUTIVE OFFICER AND THE PRINCIPAL FINANCIAL OFFICER OF A UTILITY CERTIFY THE ACCURACY OF INFORMATION PROVIDED: TO AMEND SECTION 58-3-520, RELATING TO THE PUBLIC UTILITIES REVIEW COMMITTEE, SO AS TO REVISE THE MEMBERSHIP OF THE COMMITTEE AND PREVENT A PERSON FROM BEING APPOINTED TO THE COMMITTEE WHO HAS MADE CERTAIN POLITICAL CONTRIBUTIONS TO THE APPOINTING AUTHORITY; TO AMEND SECTION 58-3-530, RELATING TO THE POWERS AND DUTIES OF THE REVIEW COMMITTEE, SO AS TO PROVIDE THAT THE COMMITTEE SHALL NOMINATE ALL CANDIDATES IT FINDS QUALIFIED FOR EACH SEAT ON THE COMMISSION, AND TO PROVIDE THAT THE COMMITTEE SHALL APPOINT THE EXECUTIVE DIRECTOR OF THE OFFICE OF REGULATORY STAFF; TO AMEND SECTION 58-3-560, RELATING TO ELECTION OF COMMISSIONERS, SO AS TO PROVIDE THAT THE PROVISIONS OF SECTION 58-3-24 PROHIBITING THE ELECTION OF MEMBERS OF THE GENERAL ASSEMBLY OR MEMBERS OF THEIR IMMEDIATE FAMILY TO THE COMMISSION, NO LONGER PROHIBITS THEIR ELECTION, AND TO PROVIDE THAT BEGINNING WITH THE 2020 ELECTIONS, THE ELECTIONS MUST BE HELD AT LEAST FORTY-FIVE DAYS AFTER THE SCREENING AND NOMINATION PROCESS; BY ADDING SECTION 58-3-565 SO AS TO PROVIDE THAT MEMBERS OF THE REVIEW COMMITTEE ARE PROHIBITED FROM CERTAIN ACTIONS OR HAVING CERTAIN BUSINESS RELATIONSHIPS; TO AMEND SECTION 58-4-40, RELATING TO THE DUTIES AND RESPONSIBILITIES OF THE OFFICE OF REGULATORY STAFF, SO AS TO REVISE CERTAIN DISCLOSURE REQUIREMENTS ON THE PART OF EMPLOYEES AND TO PROHIBIT CERTAIN OTHER ACTIONS BY THESE EMPLOYEES; TO AMEND SECTION 58-31-20, RELATING TO THE BOARD OF DIRECTORS OF THE PUBLIC SERVICE AUTHORITY, SO AS TO PROHIBIT CERTAIN ACTIONS BY BOARD MEMBERS AND TO PROHIBIT CERTAIN BUSINESS RELATIONSHIPS BY BOARD MEMBERS; AND TO REPEAL SECTION 58-4-30 RELATING TO THE QUALIFICATIONS AND APPOINTMENT OF THE EXECUTIVE DIRECTOR OF THE OFFICE OF REGULATORY STAFF. cc: STANDARD DISTRIBUTION