

## COMMENTS TO BLUE RIBBON COMMISSION

By  
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Commissioners:

Thank you for coming to Augusta and holding this public hearing.

I am Executive Director of the SC Council on Competitiveness. The genesis of the Council was that in 2003, Harvard Professor and international economic development strategist came to the state to study the state's economy. His findings were pretty grim. He made eight recommendations for improvement. The first was to activate and upgrade business clusters.

What is a cluster. Think computers in Silicon Valley, steel in Pittsburgh, movies in Hollywood or textiles in North and South Carolina.

The nuclear cluster was organized in 2007. It is a bi-state cluster that includes the four major utilities (Duke, SCANA, Progress Energy and Santee Cooper) and major support industries and institutions such as Areva, Shaw, Fluor, the Savannah River National Lab and 29 other organizations.

North and South Carolina currently have 12 nuclear plants and produce 11% of the nuclear power in the US. Over 50% of SC's electricity is supplied by nuclear. It is carbonless, baseload power, idea to support electric cars, and other means of reducing our dependence on foreign oil. In the past year, SC has announced an electric hybrid bus plant in Greenville and an electric car plant in Spartanburg.

The cluster committee has accomplished a lot in the last three years.

- They have produced a strategic plan
- They have contracted for an industry economic impact study
- They have organized a Leadership Energy Carolinas training session that brings young executives from the utility industry together to learn about nuclear
- They have produced position papers on such issues as water and waste
- They produced *Energized*, a bulletin that will be distributed in 40,000 copies of SC Biz and NC Biz in the two states. I have a copy for the Commissioners.
- They have worked with NEI to map the supply chain
- They have won a \$600,000 federal grant to engage small business in nuclear
- They have landed some major national nuclear conferences to the Carolinas
- They have worked with technical colleges and research universities in the two states on future workforce needs
- They have marshaled strong local, state and federal support among key legislators in both Carolinas

What is the impact? South Carolina, which currently has double digit unemployment, has 15,000 direct and a total of 28,000 direct and indirect jobs in the nuclear industry. At the construction peak, there will be 38,000 jobs and 12,400 new jobs during the operations phase. In addition, it is estimated that as many as 70% of the existing technical workforce will be eligible for retirement by 2012.

In addition to jobs, the nuclear facilities in SC provide \$.437 billion in annual tax revenues.

I will hand out the executive summary of our report.

The four plants in South Carolina will likely cost at least \$20 billion, providing a major driver for the economy over the next 10 years.

Both Southern and SCANA are ready to move on four plants in Georgia and South Carolina. We believe that these plants will be economic engines for both states and should move forward as quickly as possible.

Thank you for the opportunity to comment.