

H. 3309:

A utility power-grab that fast tracks risky, unreliable, and expensive fossil fuel megaprojects on the ratepayers' dime

What you need to know

In 2024, the South Carolina House of Representatives passed House Bill 5118, a controversial omnibus energy bill that would transform our state's energy policy. This bill aimed to reduce oversight of utility companies, potentially undermining efforts to ensure fair rates for consumers, and would have permitted Dominion Energy and Santee Cooper to construct a new gas plant as a joint venture in Canadys, South Carolina. Fortunately, it did not pass in the Senate, but we expect the General Assembly to pass omnibus energy legislation in the 2025 legislative session.

We expressed concerns about many of the provisions in House Bill 5118, which passed in the House on March 28. Among other things, it could fast-track the development of an expensive new gas plant and pipeline in the ACE Basin, which is one of the largest undeveloped wetland ecosystems on the East Coast.

Shortly before the end of the legislative session on May 9, a significantly scaled-back version was passed by the Senate and the bill was referred to a conference committee of senators and representatives that could meet to consider potential compromises in the coming months.

House Bill 3309 is nearly identical to House Bill 5118, which we strongly opposed last year. We will continue to oppose this one as it moves forward in this session.

Put simply, this bill is bad for ratepayers. It's bad for our land, waterways, and vulnerable communities. And it's bad for our transition to cleaner energy sources.

- **H. 3309 requires state agencies to argue for federal eminent domain for natural gas pipelines—even if South Carolina residents would have their property taken or end up helping pay to export gas to other countries.**
- H. 3309 strips the review process for power plants and transmission lines, allowing Dominion and Santee Cooper to escape review for new projects—including the proposed new gas-fired plant on the Edisto River in Colleton County near Canadys.
- **H. 3309 effectively pre-approves multiple large gas-fired power plants that will cost ratepayers billions of dollars—even if cheaper alternatives are available.**

- H. 3309 allows utilities to charge ratepayers upfront for the licensing costs and potentially the capital costs of new small modular nuclear plants, even if they are abandoned before completion and never produce energy.
- **H. 3309 requires regulators to prioritize the word of the utility, regardless of accuracy, essentially allowing the industry to regulate itself.**
- The Consumer Advocate office was created to fight utility rate increases after the abandoned VC Summer nuclear project in 2017. H. 3309 transfers this office to the Office of Regulatory Staff, which is then required to instead support the financial integrity of the utility, even if the utility makes bad management decisions at the cost of ratepayers.
- H. 3309 restricts what the public can say to the state agency that regulates utilities so that they cannot address matters of general policy or the validity of the utility's plans to build billions of dollars of power plants. **In other words, ratepayers will be on the hook financially and without a voice to defend their land, pocketbooks, or energy future.**

History Repeating: Canadys Gas-Fired Power Plant

- **Dominion Energy and Santee Cooper are pressing lawmakers to pass H. 3309, which would essentially direct the Public Service Commission (PSC)—our state's energy regulator—to blindly approve a new large gas-fired plant on the Edisto River in Colleton County near Canadys.**
- **We've seen this before.** The failed VC Summer nuclear plant led to \$9 billion in wasted funds. South Carolinians already pay some of the highest energy bills in the country in part to this catastrophic failure. **We still don't know how much this new megaproject will cost.**
- An independent study commissioned by state regulators raised concerns that the utilities are considering this gas-fired power plant as a foregone conclusion, without considering cleaner and cheaper alternatives.
- Gas-fired power plants rely on the superpollutant methane—which traps 84 times more heat in the atmosphere than carbon dioxide over 20 years.
- Clean energy technologies, like solar and battery storage, are cheaper and more reliable.
- **Utilities have yet to reveal the route for the gas pipeline or energy transmission lines.** H. 3309 forces our state agencies to fight for federal eminent domain, making it easier for utilities to uproot residents and take land for an unreliable project.
- **We don't know the full scope of environmental fallout.** The proposed gas-fired plant will come with real land use, air quality, and water quality and quantity implications.

LEARN MORE: coastalconservationleague.org/projects/stop-house-bill-3309