

**South Carolina General Assembly**  
120th Session, 2013-2014

**S. 1011**

**STATUS INFORMATION**

General Bill

Sponsors: Senator Hembree

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Introduced in the Senate on February 6, 2014

Currently residing in the Senate Committee on **Judiciary**

Summary: Offshore wind research & development activities

**HISTORY OF LEGISLATIVE ACTIONS**

<u>Date</u>	<u>Body</u>	<u>Action Description with journal page number</u>
2/6/2014	Senate	Introduced and read first time ( <a href="#">Senate Journal-page 9</a> )
2/6/2014	Senate	Referred to Committee on <b>Judiciary</b> ( <a href="#">Senate Journal-page 9</a> )
2/11/2014	Senate	Referred to Subcommittee: Rankin (ch), Hutto, Turner

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**VERSIONS OF THIS BILL**

[2/6/2014](#)

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**A BILL**

TO AMEND CHAPTER 37, TITLE 58 OF THE 1976 CODE, RELATING TO ENERGY SUPPLY AND EFFICIENCY, BY ADDING SECTION 58-37-60, TO PROVIDE THAT “OFFSHORE WIND RESEARCH AND DEVELOPMENT ACTIVITIES” MEANS INITIATIVES UNDERTAKEN BY AN ELECTRICAL UTILITY FOR THE LONG-TERM ADVANCEMENT OF THE ECONOMIC DEVELOPMENT AND CLEAN ENERGY BENEFITS RELATED TO OFFSHORE WIND, AND TO PROVIDE THAT THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION SHALL ADOPT REGULATIONS THAT ENCOURAGE ELECTRICAL UTILITIES SUBJECT TO THE JURISDICTION OF THE COMMISSION TO INVEST IN OFFSHORE WIND RESEARCH AND DEVELOPMENT ACTIVITIES THAT PROVIDE INCENTIVES AND COST RECOVERY FOR ENERGY SUPPLIERS AND DISTRIBUTORS WHO INVEST IN OFFSHORE WIND RESEARCH AND DEVELOPMENT ACTIVITIES THAT ARE INTENDED TO RESULT IN ECONOMIC DEVELOPMENT OPPORTUNITIES RELATED TO THE MANUFACTURING AND DEPLOYMENT OF OFFSHORE WIND, AND THAT THE COMMISSION SHALL ADOPT REGULATIONS ENCOURAGING INVESTMENT IN OFFSHORE WIND RESEARCH AND DEVELOPMENT ACTIVITIES NO LATER THAN JANUARY 1, 2015.

Whereas, South Carolina is well suited to meet the workforce and infrastructure needs related to offshore wind energy development along the East Coast and such development would create long-term, well-paying jobs for the community; and

Whereas, the thirty-three wind energy manufacturing facilities currently operating in South Carolina employ over 1,100 people,

1 generate \$530 million of output annually in the State, and support  
2 1,797 indirect and induced jobs statewide; and

3  
4 Whereas, the Clemson University Restoration Institute’s “Wind  
5 Energy Supply Chain Survey and Offshore Wind Economic  
6 Impact Study” determined that the installation of a 1,000 megawatt  
7 wind farm will have a vast economic impact on the State,  
8 particularly in the ten-year construction phase; and

9  
10 Whereas, Clemson University’s Wind Turbine Drivetrain Testing  
11 Facility in North Charleston is one of a kind and the largest in the  
12 world and is well positioned to serve a central role in the further  
13 development of a wind energy industry hub for South Carolina,  
14 attracting manufacturers; and

15  
16 Whereas, General Electric operates one of the largest wind turbine  
17 manufacturing facilities in the United States in the Upstate; and

18  
19 Whereas, South Carolina’s shallow-water offshore wind resource  
20 is the second largest of the East Coast states and represents a  
21 long-term economic investment opportunity, as well as a long-term  
22 opportunity for in-state energy production; and

23  
24 Whereas, offshore wind energy is a domestic source of energy  
25 shielded from hostile foreign interests; and

26  
27 Whereas, South Carolina maintains a robust electrical grid that can  
28 accommodate a significant amount of offshore wind. Now,  
29 therefore,

30  
31 Be it enacted by the General Assembly of the State of South  
32 Carolina:

33  
34 SECTION 1. Chapter 37, Title 58 of the 1976 Code is amended  
35 by adding:

36  
37 “Section 58-37-60. (A) For the purposes of this section,  
38 ‘offshore wind research and development activities’ means  
39 initiatives undertaken by an electrical utility for the long-term  
40 advancement of the economic development and clean energy  
41 benefits related to offshore wind.

42 (B) The South Carolina Public Service Commission shall adopt  
43 regulations that encourage electrical utilities subject to the

1 jurisdiction of the commission to invest in offshore wind research  
2 and development activities.

3 (C) These regulations must:

4 (1) provide incentives and cost recovery for energy suppliers  
5 and distributors who invest in offshore wind research and  
6 development activities that are intended to result in economic  
7 development opportunities related to offshore wind energy; and

8 (2) allow energy suppliers and distributors to recover costs  
9 and obtain a reasonable rate of return that is at least as financially  
10 attractive as construction of new traditional generating facilities on  
11 their investment in an offshore wind facility of less than  
12 seventy-five megawatts.

13 (D) Offshore wind research and development activities  
14 undertaken by an electrical utility may include, but are not limited  
15 to:

16 (1) offshore wind potential studies;

17 (2) demonstration projects of less than seventy-five  
18 megawatts developed in collaboration with regional electrical  
19 utility partners or other electrical utility partners of this State;

20 (3) utility transmission and distribution system  
21 improvements associated with a demonstration wind project;

22 (4) regional initiatives that include out-of-state partnerships  
23 for data gathering activities related to future offshore wind  
24 deployment; and

25 (5) partnership initiatives with colleges and universities.

26 (E) The commission shall adopt regulations no later than  
27 January 1, 2015.

28 (F) Nothing in this section shall be construed as requiring an  
29 electrical utility subject to the jurisdiction of the commission to  
30 invest in offshore wind research and development activities.”

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32 SECTION 2. This act takes effect upon approval by the Governor.

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