



Savannah River Site Watch

**Savannah River Site Watch
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**Sentencing Postponed for SCANA Official who Admitted Felony Fraud in Nuclear Construction Project;
Federal Attorney Indicates “Additional Targets” being Investigated and that the Investigation
Will Continue at Least a Year**

Columbia, SC – A federal court in Columbia, South Carolina has approved a request by the U.S. federal attorney to postpone a key step toward sentencing of a former utility executive for admitted fraud in the failed construction of two commercial nuclear power reactors in South Carolina.

The request was made in order to allow more time for investigation of other potentially guilty parties in the terminated nuclear reactor construction project that was pursued at the V.C. Summer site by the SCANA Corporation, which has been taken over by Dominion Energy. The request, approved by the court on October 6, 2020, was made by United States Attorney Peter McCoy. In the request, Mr. McCoy indicated that the investigation will continue at least another year.

“The people of South Carolina continue to demand justice for those that knowingly perpetrated the nuclear construction debacle and we fully expect that all guilty parties will be charged upon completion of the investigation and that they will face heavy fines and be sentenced to prison for lengthy terms,” said Tom Clements, now director of Savannah River Site Watch and who served as primary public interest intervenor with Friends of the Earth in the nuclear-construction dockets before the S.C. Public Service Commission in 2008-2009 and 2017-2018.

Around \$9 billion was wasted on construction of twin reactors at the V.C. Summer site before the termination of the project in 2017. Over \$2 billion in financing costs have so far been collected from SCE&G customers since the project’s formal approval by the South Carolina Public Service Commission in February 2009. Dominion customers will be on the hook for a large part of the failed project’s cost over the next 20 years.

A “presentencing report” about the guilt and behavior of Stephen Byrne, former Chief Operating Officer and Executive Vice President of SCANA, who admitted guilt for fraud in a court hearing on June 23, was expected to be presented soon to the court as a basis for the extent of the sentence he would receive. According to a court document in which he admitted guilt to “conspiracy to commit mail and wire fraud,” Mr. Byrne agreed to cooperate with prosecutors. He has already agreed to forfeit \$1 million in ill-gotten gains from his role with SCANA and is subject to a 5-year prison sentence.

“If the federal attorney needs more time to extract evidence from Mr. Byrne and dig up waterproof proof of guilt by other parties, then the delay will be worth the wait,” said Clements.

The filing by the federal attorney on October 6 indicates that the presentencing report will be postponed as the complex investigation is continuing and that “additional targets” are being investigated. It is believed that former SCANA CEO Kevin Marsh, former SCANA CFO Jimmy Addison and lawyers who may have enabled the fraud, including Belton Zeigler, Mitch Willoughby and Chard Burgess, may be under investigation and could face indictment. It is not known if others, such as with the reactor vendor and construction companies, could also be under investigation. Officials with reactor partner Santee Cooper and its primary electricity customer, the Electric Cooperatives of South Carolina, Inc., could also be under investigation.

The court filing by the federal attorney affirms that Mr. Byrne “is the first person prosecuted in a multi-year investigation into the fraud surrounding V. C. Summer Units 2 and 3 construction project,” and states that “the Government believes that the investigation will continue over at least the coming year.”

“Given the abuse of ratepayers by SCANA in carrying out the nuclear project that it knew from day one would fail, we can only hope that the guilty parties go through each and every day wondering when the long arm of the law will take them into custody,” said Clements. “While the arrest and prosecution of those guilty won’t return money to fleeced ratepayers we will at least be satisfied that justice will be served,” added Clements, who is himself a SCE&G/Dominion ratepayer.

The entire seven-person SC PSC that suspiciously approved SCANA's nuclear petitions every step of the way, despite facts put before them, has now been replaced, with 4 new appointments by the SC legislature in September 2020. All the PSC members that that served SCANA's interest starting in 2009, when the nuclear project was approved, and ignored the public interest, should be investigated by the federal attorney, according to Clements.

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Notes:

Filing by federal attorney to postpone sentencing of admitted felon Stephen Byrne, affirmation investigations will continue for another year, October 6, 2020: <https://srswatch.org/wp-content/uploads/2020/10/Byrne-sentencing-postponed-October-6-2020-request-approved-by-judge-Oct-6.pdf>

Federal court statement of October 6, 2020, approving federal attorney’s request linked directly above: *TEXT ORDER granting 30 Motion to Suspend Preparation of the PSR as to Stephen Andrew Byrne (1). Signed by Honorable Mary Geiger Lewis on 10/6/2020.(mdea) (Entered: 10/06/2020)*

Federal Court document: Plea Agreement by Stephen Byrne, charged with fraud in SCE&G nuclear reactor construction debacle, June 8, 2020: <https://srswatch.org/wp-content/uploads/2020/07/Byrne-court-plea-June-8-2020.pdf>

Federal Court document: Criminal charges against Stephen Byrne, charged with fraud in SCE&G nuclear reactor construction debacle, June 8, 2020: <https://srswatch.org/wp-content/uploads/2020/07/Byrne-court-charges-June-8-2020.pdf>

Text of October 6, 2020 filing by the federal Attorney, linked above:

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IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF SOUTH CAROLINA
COLUMBIA DIVISION
UNITED STATES OF AMERICA
v.
STEPHEN A. BYRNE
Criminal No: 3:20-cr-00335-MGL

MOTION TO SUSPEND PRESENTENCE REPORT

The Government, with the defense's consent, moves the Court to Order United States Probation to suspend the preparation of the presentence report in the present case, Probation has been consulted and does not object. The defendant is the first person prosecuted in a multi-year investigation into the fraud surrounding V. C. Summer Units 2 and 3 construction project. The investigation is complex with additional targets remaining and therefore is continuing. Suspending the preparation will allow Probation to only prepare the report once, instead of multiple iterations as additional evidence is discovered. The Government believes that the investigation will continue over at least the coming year. The Government will alert Probation and the Court when the investigation is concluded, as well as file a motion to resume the preparation of the presentence report.

Therefore, the Government moves for the preparation of the presentence report to be suspended.

I SO MOVE,
PETER MCCOY, JR.
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s/ Jim May
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