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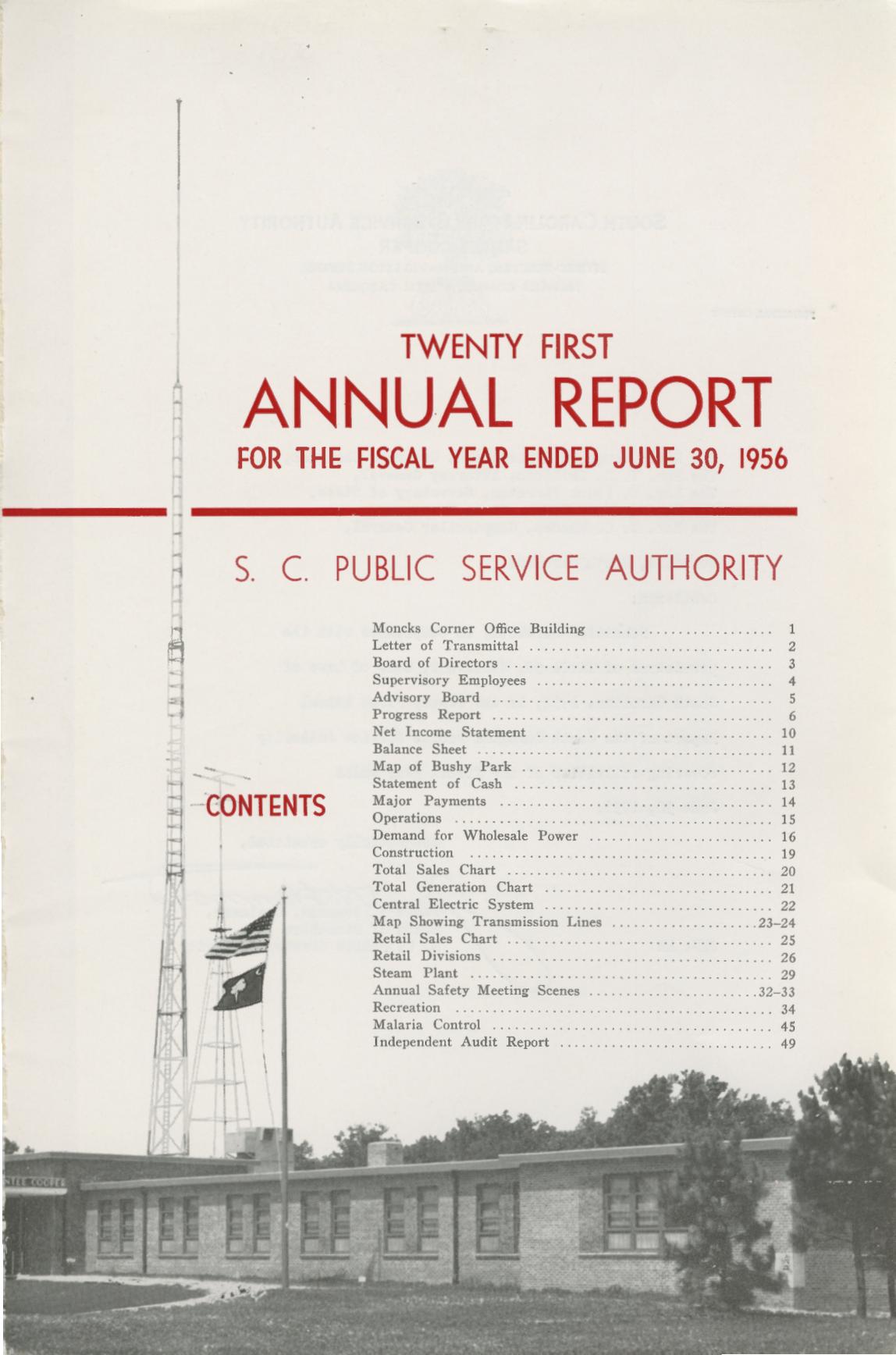
ANNUAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30
1956

**S.C.
PUBLIC
SERVICE
AUTHORITY**



Principal Office
Moncks Corner, S. C.





TWENTY FIRST
ANNUAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 1956

S. C. PUBLIC SERVICE AUTHORITY

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SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
SANTÉE COOPER
HYDRO-ELECTRIC AND NAVIGATION SYSTEM
MONCKS CORNER, SOUTH CAROLINA

PRINCIPAL OFFICE

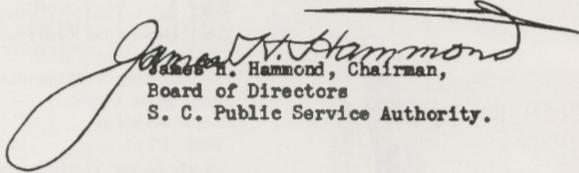
The Hon. George Bell Timmerman, Governor-Chairman,
The Hon. T. C. Callison, Attorney General,
The Hon. O. Frank Thornton, Secretary of State,
The Hon. Jeff B. Bates, State Treasurer,
The Hon. E. C. Rhodes, Comptroller General,

Columbia, South Carolina.

Gentlemen:

Submitted herewith, in compliance with the provisions of Title 59, Section 2, Code of Laws of South Carolina, 1952, is the Twenty First Annual Report of the South Carolina Public Service Authority covering activities of the fiscal year ended June 30, 1956.

Respectfully submitted,



James H. Hammond, Chairman,
Board of Directors
S. C. Public Service Authority.

JHH: hh

BOARD OF

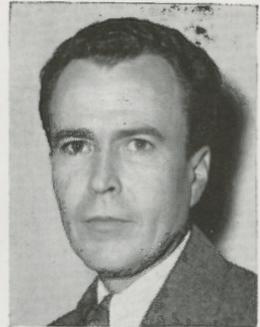
DIRECTORS



JAMES H. HAMMOND
Chairman
Columbia, S. C.



ROBT. S. LAFAYE
Columbia, S. C.



J. RUSSELL WILLIAMS, JR.
Moncks Corner, S. C.



E. LEE SKIPPER
Lancaster, S. C.



CARL L. BUSBEE
Conway, S. C.



R. M. JEFFERIES
General Manager



R. CARTER HENRY
Greenville, S. C.



MARVIN E. ABRAMS
Whitmire, S. C.

The Seven Directors are Appointed by the Governor, one from each Congressional District and one (the Chairman) from State-at-Large. They serve for Seven-Year Terms.



1956-1957 BOARD OF DIRECTORS

Reading from Left to Right: Directors R. CARTER HENRY, E. LEE SKIPPER, Vice-Chairman ROBERT S. LAFAYE, General Manager R. M. JEFFERIES, Chairman JAMES H. HAMMOND, and Directors J. RUSSELL WILLIAMS, JR., CARL L. BUSBEE and MARVIN E. ABRAMS.

SUPERVISORY EMPLOYEES
1955-1956

R. M. JEFFERIES
General Manager

R. E. DAY
Chief Engineer

J. B. THOMASON
Planning Superintendent

JOHN T. MOONEY
Production Superintendent

T. M. WATSON
Operation Superintendent

J. H. TIENCKEN
Comptroller

E. T. HEYWARD
Chief, Health & Sanitation Div.

JOHN A. ZEIGLER
Secretary-Treasurer

W. CARL WALSH
Maintenance Supervisor

W. D. SIMPSON
Legal Counsel

EDWARD SANDERS
Land Agent

W. P. TABER
Purchasing Agent

ADVISORY

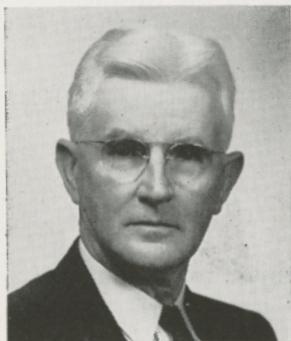
BOARD



HON. GEORGE BELL TIMMERMAN, JR.
Governor—Chairman



O. FRANK THORNTON
Secretary of State



T. C. CALLISON
Attorney General



JEFF B. BATES
State Treasurer



E. C. RHODES
Comptroller General

PROGRESS

The Board and Management of the South Carolina Public Service (Santee-Cooper) Authority respectfully submits this its twenty-first annual report; Its fourteenth of actual operations.

In spite of a continuation of the long drought and the expenditure of \$2,296,586.53 (almost twice amount expected) for coal and oil, Santee-Cooper during the past fiscal year discounted all of its bills, promptly met its \$1,362,665.00 of debt service, added \$590,881 to cash on hand and reserves and made a profit before depreciation of \$1,919,237.61.

The total gross electric revenues for the year were \$7,491,772.44, much the highest of record and \$2,108,413.44 greater than last year. The net income after depreciation was \$575,576 which was \$311,553 more than the previous fiscal year.

Whereas Santee-Cooper has generated in the past as much as 800,000,000 Kwh in a calendar year in its Hydro-Plant and has a right to expect an average hydro generation of 630,000,000 Kwh; on account of the drought there was only 367,993,000 Kwh generated by its water-driven turbines.

For the first time in its 14 years of operation Santee-Cooper sold over a billion Kwh of electricity (1,013,459,071 KWH). This compares most favorably with 819,031,036 Kwh sold the previous year and the 481,171,422 sold in 1943.

Of the 1,013,459,071 sold, 367,993,000 was generated in the Authority's two Hydro-electric plants, 593,276,000 in the Steam Plant and 119,457,000 represented purchased power, mostly from the Clark Hill Hydro-electric Plant on the Savannah River.

The 1955-56 average use of electricity per retail Santee-Cooper customer was 5,449 Kwh as compared with the National average consumption of 2,755 Kwh.

Santee-Cooper's average rate of 2.32 cents per Kwh is lower than the National average of 2.64.

The Authority was able to save its 13,855 retail customers \$2,400,481.17 last year, based on average rates being charged by private owners at time of acquisition.

The total investment in Santee-Cooper is now \$95,385,013 the total debt \$51,762,892 so the State of South Carolina's equity in this profit-making, self liquidating public utility has reached the all time high of \$43,622,121 an increase of \$558,043 over the previous year. This with sums paid in lieu of taxes, the 3% sales and use tax add up to a Santee-Cooper total contribution to the wealth of the state this year \$623,143.00.

The tangible figures given above reveal a most healthy financial position but one must consider the intangibles to get the true picture. It would now cost twice as much to replace Santee-Cooper's power plants and far flung facilities, whereas huge sums have been charged off during the past 10 years for depreciation, the appreciation should more than offset the depreciation.

A list of its assets does not reveal the enormous enhancement in value of the 420 miles of project shorelines which are fast being developed into recreational camps and homesites. This unlisted valuable asset could run into the millions of dollars.

During the past year the Authority met interest payments of \$1,287,208 on its indebtedness, and \$650,000 in Electric Revenue Bonds were retired on schedule.

The Authority spent \$756,351.71 for new facilities and for needed replacements and extensions.

The Albany Felt Company, the fourth wool processing plant attracted to the low country by Santee-Cooper's low cost power began operations at St. Stephens during the past fiscal year.

The Authority's engineers, aware of the steadily increasing demand for Santee-Cooper Power have called to the Board and Management's attention the need of planning for additional steam generation. Several sites for another steam plant are being investigated.

During the past fiscal year 28 miles of additional REA lines were built and 69 miles energized to create 10 additional delivery points making a total of 60 delivery points from which Santee-Cooper power is being fed into the Central Electric Cooperative System serving over 90,000 farm homes in 35 counties of the State.

During the past fiscal year billions of gallons of new industrial water from Santee-Cooper's tail race canal began to flow into the Bushy Park reservoir to attract new industries to Charleston and

Berkeley Counties. This great boon to the South Carolina low country would have been impossible had it not been for Santee-Cooper's diversion of the waters of the Santee River into Lake Moultrie and on through the power house into the Cooper River.

During the past fiscal year Santee-Cooper was thoroughly investigated. A 9-man investigating committee established by act of the General Assembly found "There can be no question but that the Authority met its obligations during the year in question (1954-55), showed a profit and is entirely solvent."

With each year of Santee-Cooper's operations more and more benefits accrue to the people of the State who own and operate it.

Outstanding bonds are being systematically retired, new generating facilities keep pace with growing demand, many important improvements to essential services have been added; lower average rates both wholesale and retail are a source of constant dividends to its customers. (Dividends that have been paid to State Treasurer are a decided benefit to taxpayers of State.)

As of June 30, 1956, these total benefits amounted to \$52,939,-114. Itemized as follows:

- Paid out for Bond Retirement \$2,784,000.
- Net Plant Additions from Earnings \$15,250,225.
- Dividends to State \$1,411,164.
- Savings to Retail Customers (15 years.) \$15,541,430.
- Savings to Wholesale Customers (15 yrs.) \$16,717,295.
- Savings to Central Cooperatives (3 yrs.) \$1,235,000.

Even these realistic dollars and cents figures do not tell the entire story of the progress and benefits South Carolinians have realized from this state-owned, efficiently integrated electric system.

Santee-Cooper's low cost power has been an important factor in the location of new and expanding industries, creating more jobs for more South Carolinians. Its tie-in with most of the Rural Electric Cooperatives of the state has contributed to increased productivity for farmers who by the use of time and labor saving devices and appliances have raised their standard of living to an all-time high.

To urban homes in Santee-Cooper's low cost power orbit there has come a new enjoyment of the marvel of electricity and what it means toward truly modern living, all within the budget of even the most modest family.

The Board and Management believe that Santee-Cooper exemplifies Public Power at its best, and has labored long and diligently to seek the regard and appreciation of its stockholders, the people of South Carolina.

NET INCOME

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

STATEMENT OF NET INCOME FOR THE FISCAL YEAR 1955-1956

Revenue:

Electric Revenue	\$ 7,491,772	
Interest on Invested Funds	85,645	
Other Miscellaneous Income	19,917	
Miscellaneous Income Deductions	(31,795)	
	<hr/>	
Total Gross Revenue		\$ 7,565,539

Operating Expenses and Taxes:

Fuel Consumed	\$ 2,117,152	
Purchased Power	737,575	
Other Operating Expenses	1,434,993	
Depreciation	1,339,704	
Sums in Lieu of Property and Generation Taxes	56,275	
	<hr/>	
Total Operating Expenses and Taxes		5,685,699
		<hr/>
Gross Operating Income		\$ 1,879,840

Income Deductions:

Interest on Long Term Debt	\$ 1,270,201	
Amortization of Debt Expense	24,760	
Other Interest Charges	5,346	
Amortization of Plant Held for Future Use...	3,957	
	<hr/>	
Total Income Deductions		1,304,264
		<hr/>
Net Income		\$ 575,576

BALANCE

SHEET

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

BALANCE SHEET, JUNE 30, 1956 ASSETS

Fixed Assets:

Electric Plant (Net)	\$80,595,459
Central Transmission System (Net)	8,710,946
Other Physical Property	174,932

\$89,481,337

Funds and Current Assets:

Cash on Hand and in Banks	\$ 233,419
Invested in U. S. Government Securities	3,716,830
Other Current Assets, Accounts Receivable, Inventories, Etc.	1,240,598

5,190,847

Deferred Charges:

To be Amortized	712,829
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Total Assets

\$95,385,013

LIABILITIES AND SURPLUS

Current Liabilities:

Accounts Payable	\$ 504,281
Notes Payable	27,381
Customer Surety Deposits	138,115
Other Current Liabilities	75,845

\$ 745,622

Long Term Debt:

S. C. P. S. A. 2½% Electric Revenue Bonds ..	\$26,994,000
S. C. P. S. A. Series 1950 Bonds	15,050,000
Contract Obligation Central Electric Coop. ...	8,945,841

50,989,841

Contributions in Aid of Construction

27,429

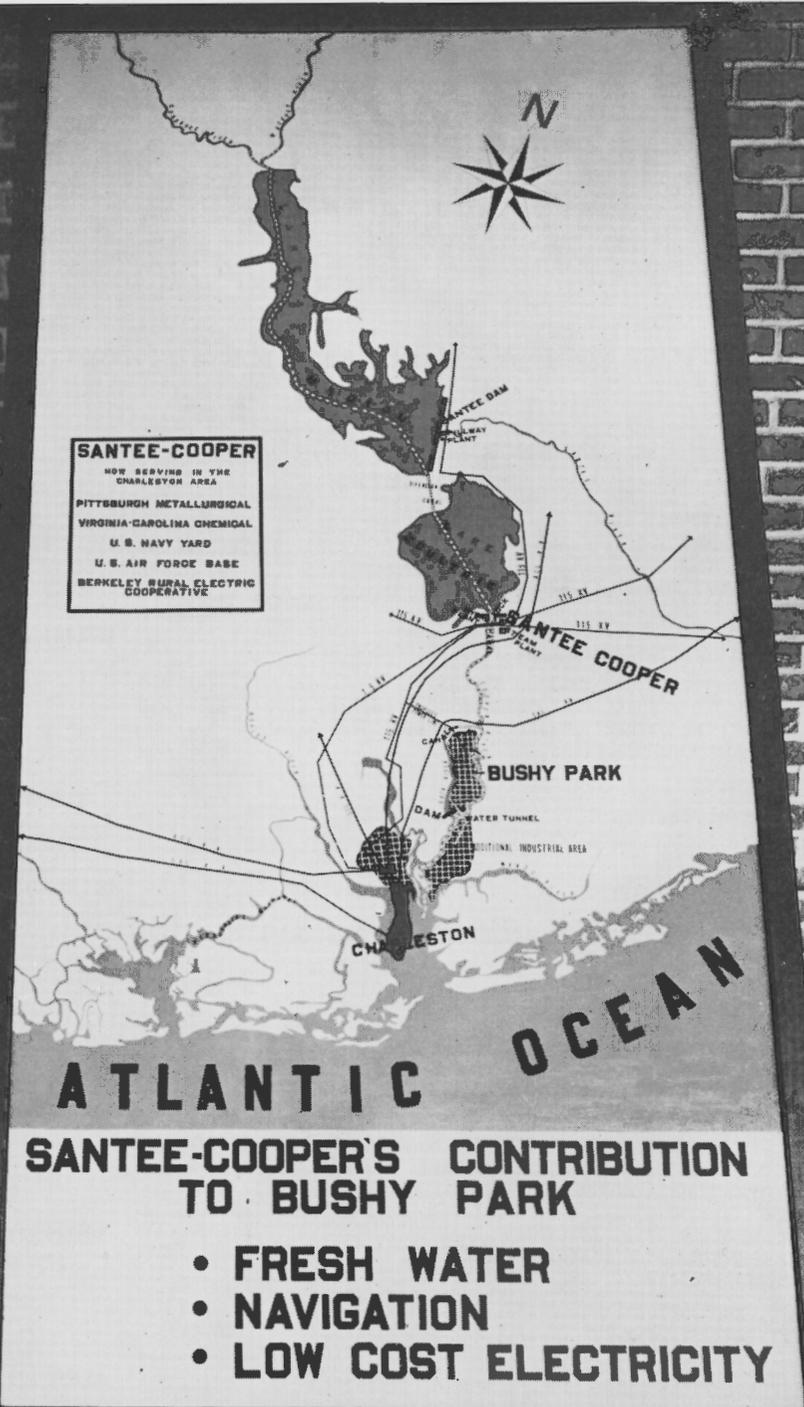
Surplus:

Contributed Surplus (U. S. Govt. Grants) ...	\$34,438,264
Earned Surplus	9,183,857

43,622,121

Total Liabilities and Surplus

\$95,385,013



Santee-Cooper
 NOW SERVING IN THE
 CHARLESTON AREA
 PITTSBURGH METALLURGICAL
 VIRGINIA-CAROLINA CHEMICAL
 U.S. NAVY YARD
 U.S. AIR FORCE BASE
 BERKELEY RURAL ELECTRIC
 COOPERATIVE

**Santee-Cooper's Contribution
 to Bushy Park**

- FRESH WATER
- NAVIGATION
- LOW COST ELECTRICITY

Picture of Display Board Showing the Vital Contribution Made to the Bushy Park Development by Santee-Cooper. Of Course without the Use of the Fresh Water Diverted from Santee-Cooper's Tail Canal there could be no Bushy Park.

"SANTEE-COOPER'S" STATEMENT OF CASH FOR THE YEAR 1955-1956

Cash Balance at beginning of Year July 1, 1955 . . . \$ 3,354,602

During the year "Santee-Cooper" received:

From Sales of Electric Energy, Rents, Etc.	\$ 7,399,597
From Sales of Surplus Lands and Timber	21,237
From Interest on Invested Funds	85,920
From Customer Surety Deposits	39,740
From Refunds on Insurance Claims	10,083
From Central Elect. Coop. Inc. for work performed and Transformer	115,307
From Sale of Electric Plant in City of Georgetown to City	146,861
From Myrtle Beach Air Base for changing Lines, Etc.	25,850
From Miscellaneous receipts	27,989

Total received from all sources	\$ 7,872,584
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Total of receipts and balance	\$11,227,186
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From this amount the following items were paid:

For Purchased Power	\$ 652,031
For Fuel Purchased and Freight	2,296,587
For Salaries and Wages	1,330,657
For Travel Expenses	14,400
For Insurance (Fire, Casualty, Etc.)	95,142
For Materials, Supplies, Equipment, Etc.	794,448
For Interest on Long Term Debt	1,089,966
For Interest on Contract Obligation	197,302
For Revenue Bonds Retired	650,000
For Easements in connection with Land Damage	91,986
For Refunds of Customer Deposits	29,290
For Accrued Interest and Expenses on Bonds Purchased for Investment	3,380
For Sums in Lieu of Property Taxes	36,514

These payments total	\$ 7,281,703
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Leaving a balance of cash on hand of	\$ 3,945,483
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The Petty Cash Funds on hand amount to	4,765
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Total Cash on Deposit and Invested in Government Bonds on June 30, 1956, for Reserves Required by Indenture and Working Funds

\$ 3,950,248

MAJOR PAYMENTS DURING LAST FISCAL YEAR—1955-1956

1. Interest on Funded Debt:	
a. FWA Bonds	\$ 687,975.00
b. Steam Plant Bonds	401,991.25
c. Central Transmission System	197,301.95
Total Interest Payments	\$ 1,287,268.20
2. Payments on Principal:	
a. FWA Bonds	\$ 525,000.00
b. Steam Plant Bonds	125,000.00
Total Principal Retired	\$ 650,000.00
3. Paid to Debt Service Reserve } cash	\$ 386,532.28
4. Paid to Contingency Fund } reserves	42,272.12
5. Fuel Purchased	2,296,586.53
6. Purchased Power	652,030.75
7. Other Operating Expenses	1,435,087.93
8. Sums in Lieu of Property Taxes	36,514.36
9. Necessary Additions to System and Major Connections	756,351.71
10. Total Cash Receipts	7,872,583.66

RESERVES AT END OF YEAR:

In cash and Government Bonds:

1. Debt Service Reserve Fund	\$ 2,968,817.81
2. Contingency Fund	738,000.00

Total Reserves

\$ 3,706,817.81

3. Customer Deposit Accounts	\$ 34,908.77
4. Balance of Cash in Revenue, Operating, Construction, Capital Improve- ment and Petty Cash Funds	208,521.73

Total in Cash and Invested in Govern-
ment Bonds

\$ 3,950,248.31

OPERATIONS

GENERAL

During the fiscal year 1955-56 the Authority's operations continued to grow rapidly with total sales and net deliveries increasing to 1,018,977,071 Kwh as compared with the 1954-55 figure of 826,189,036 Kwh. This is an increase of 23.33 percent. Revenues from electrical sales reached a new high of \$7,491,772-.44 as compared with \$5,383,359 for 1954-55.

PRODUCTION

The accompanying charts give a graphic picture of the changes that have taken place in the Authority's production of electric power. To meet the record high electric sales, power and energy has come from hydro generation, purchased power and steam generation, depending on availability and cost. With hydro energy limited due to low stream flows, steam production increased from 467,237,000 Kwh in 1954-55 to 593,276,000 Kwh for 1955-56. Purchased power changed only slightly as it was cheaper to produce with steam from the Authority's steam plant than to purchase additional power.

Hydro generation for 1955-56 was well below the original minimum capability of the System which was believed to have at least 460,000,000 Kwh as a minimum. The 1955-56 hydro generation was 367,993,000 Kwh, materially better than the record low of 286,936,000 Kwh which was generated in 1954-55. The improvement over 1954-55 is approximately 28 per cent but it was still 20 per cent below the minimum originally estimated for the project. Under normal (average) stream flow conditions, hydro generation should amount to 630,000,000 Kwh.

In terms of dollars the above hydro figures are significant as they show that the improved financial statements were made under very adverse conditions. If stream flow had been normal (average) then the cash and profit and loss statements for

1955-56 would have been improved to the extent of nearly \$1,000,000.

Total generation of the Authority's steam and two hydro plants was 961,269,000 Kwh which is approximately 27 per cent greater than the previous fiscal year high of 754,173,000 Kwh generated in 1955. Total generation and net receipts for the year amounted to 1,096,643,000 Kwh. The difference between this figure and total sales and net deliveries represents Kwh requirements of line and conversion losses, together with adjustments for interchanges.

Fuel consumption increased considerably over last year with the burning of 235,832 tons of coal and 29,927 barrels of oil at a total cost of \$2,117,151.86.

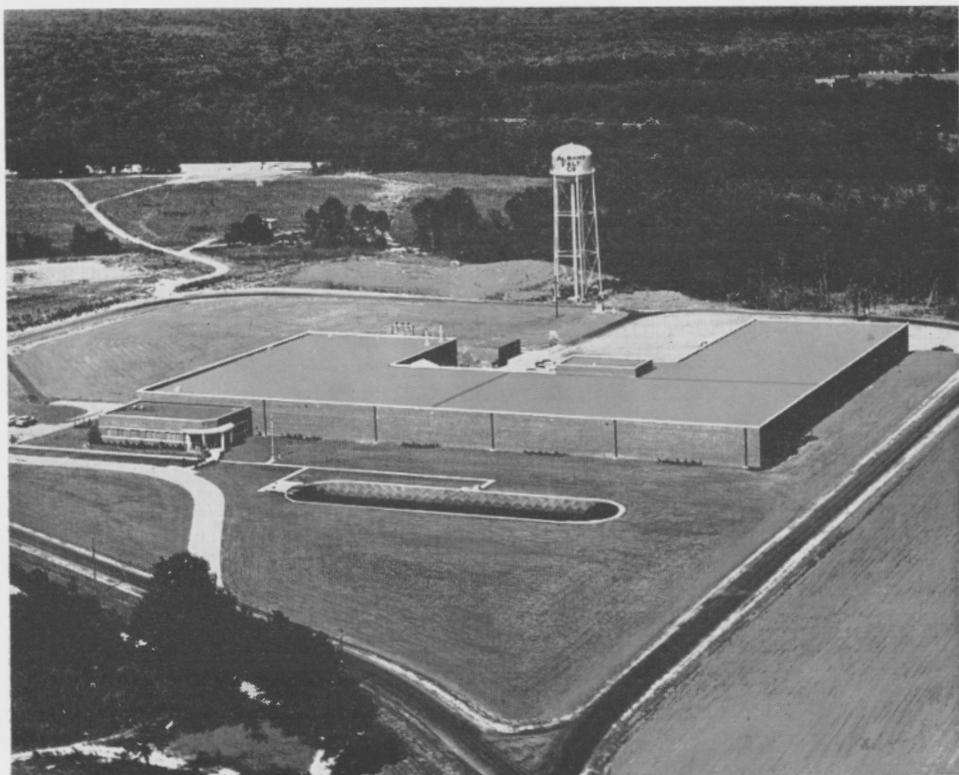
DEMAND FOR WHOLESALE POWER

The demand for wholesale power continued to increase during the year 1955-56 and power sales exceeded the 1,000,000,000 Kwh mark. There were no decreases in consumption and practically all customers continued their trend of using more and more power. The general trend in increased power use is shown graphically on the following total sales chart. The chief increases in sales were to the following customers:

PITTSBURGH METALLURGICAL COMPANY: Total sales of contract power together with surplus deliveries to the Pittsburgh Metallurgical Company increased from 219,273,500 Kwh for the fiscal year 1954-55 to 311,226,500 Kwh for the fiscal year 1955-56. This represents an increase in consumption of approximately 42 per cent. It is not an increase in firm power but rather represents surplus sales made to the advantage of the Authority and using facilities on a short term basis that were not otherwise committed.

VIRGINIA-CAROLINA CHEMICAL CORPORATION: Sales to the Virginia-Carolina Chemical Corporation increased from 101,406,000 Kwh in 1954-55 to 112,705,000 Kwh in 1955-56. This is an increase of approximately 11 per cent.

WELLMAN COMBING COMPANY: The load of the Wellman Combing Company continued to grow and increased from 4,365,600 Kwh in 1954-55 to 8,368,603 Kwh in 1955-56. The load of this customer nearly doubled in the period of one year.



Air View Albany Felt Company's New St. Stephen Plant

BRANCH RIVER WOOL COMBING COMPANY: The Branch River Wool Combing Company had just been connected in 1954-55 and during the fiscal year 1955-56 they used 3,768,000 Kwh.

ALBANY FELT COMPANY: The new plant of Albany Felt Company in St. Stephen was connected late in the year and power was used for preliminary operations only. It is expected that this customer will use over 2,000,000 Kwh in the next fiscal year.

CHARLESTON AIR FORCE BASE: The expansion of the Charleston Air Force Base has continued, with energy consumption increasing from 7,056,700 Kwh in 1954-55 to 11,160,900 Kwh in 1955-56. This represents an increase of approximately 58.5 per cent over the previous year and indications are that this load will continue to grow at a rapid rate.

CHARLESTON NAVAL SHIPYARD: Power deliveries to the Charleston Naval Shipyard again nearly doubled over the preceding year, with energy consumption increasing from 10,490,100 Kwh in 1954-55 to 19,440,600 Kwh in 1955-56. It is expected that this load will continue to increase rapidly in the next year or two.

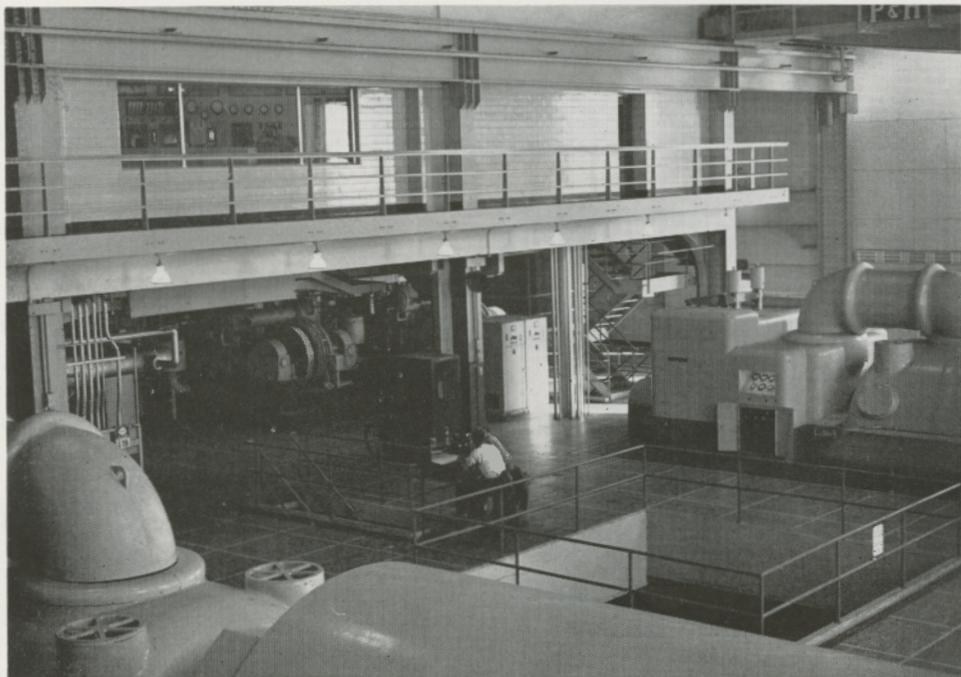
CENTRAL ELECTRIC POWER COOPERATIVE, INC.: The Central Electric Power Cooperative system again resulted in the largest increase in firm power sales. The consumption in 1954-55 was 189,659,228 Kwh and increased to 244,841,541 Kwh in 1955-56. A portion of this load increase resulted from the connection of new stations; however, the load is continuing to grow rapidly and should increase at the rate of approximately 25,000,000 Kwh per year.

GENERAL: All other customers without fixed contracts showed normal increases during the year. The City of Georgetown, the City of Bamberg, Berkeley Electric Cooperative and several small industrial customers showed substantial gains. The Myrtle Beach Air Base is well along toward completion and is expected to add substantial load. It is of particular interest to note that 800 electrically heated housing units are being installed at this base.

CONSTRUCTION

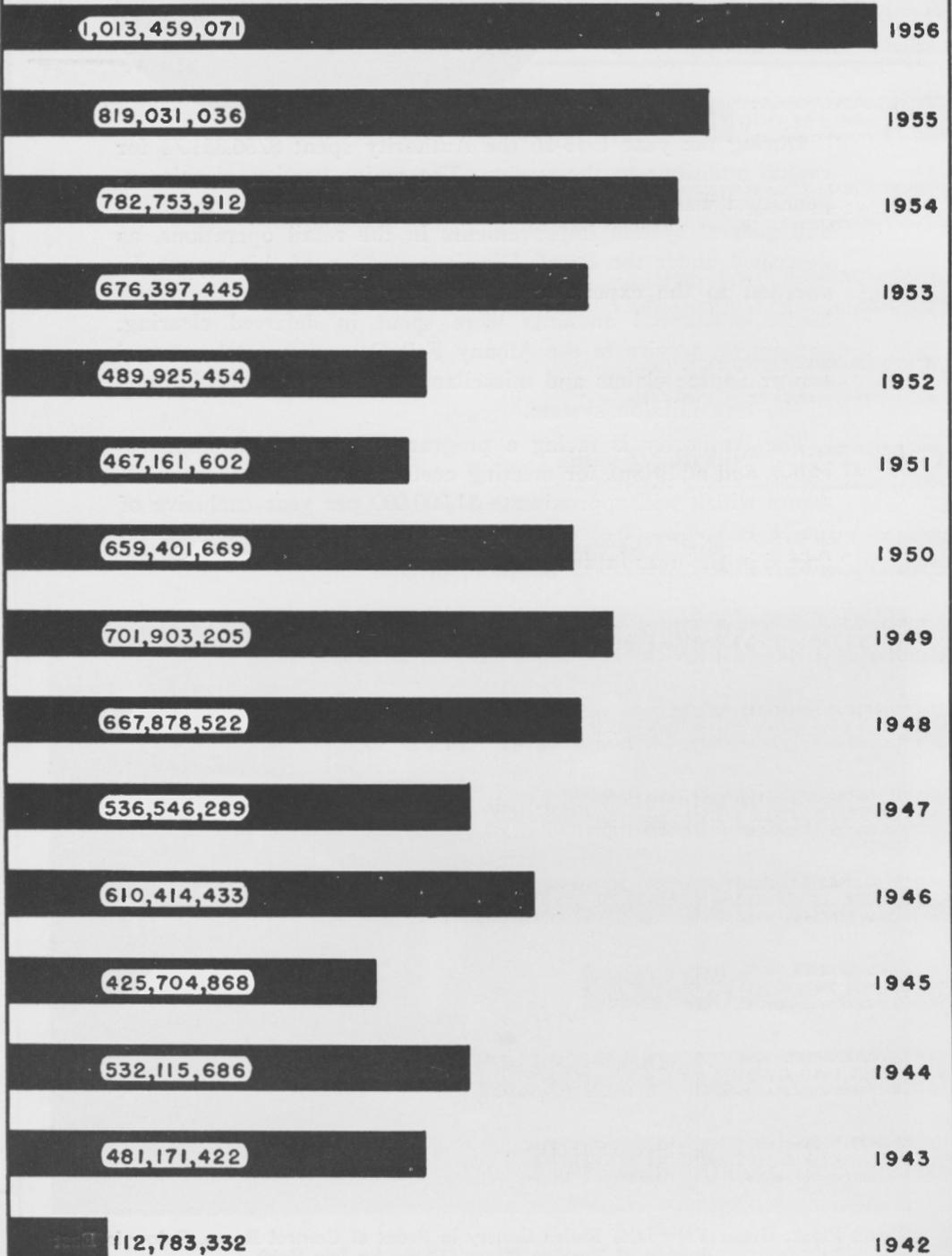
During the year 1955-56 the Authority spent \$756,351.71 for capital additions to the system. The major portion of this expenditure was made for line extensions, customer connections and general system improvements in the retail operations, as described under the Retail Divisions portion of this report. In addition to the expenditures necessary for serving the retail loads, substantial amounts were spent in deferred clearing, equipment, service to the Albany Felt Company, settlement of Lower Santee claims and miscellaneous changes and additions to the transmission system.

The Authority is facing a program of continuing improvements and additions for meeting customer and growth requirements which will approximate \$1,000,000 per year exclusive of major transmission or generation additions which will be required in the near future.

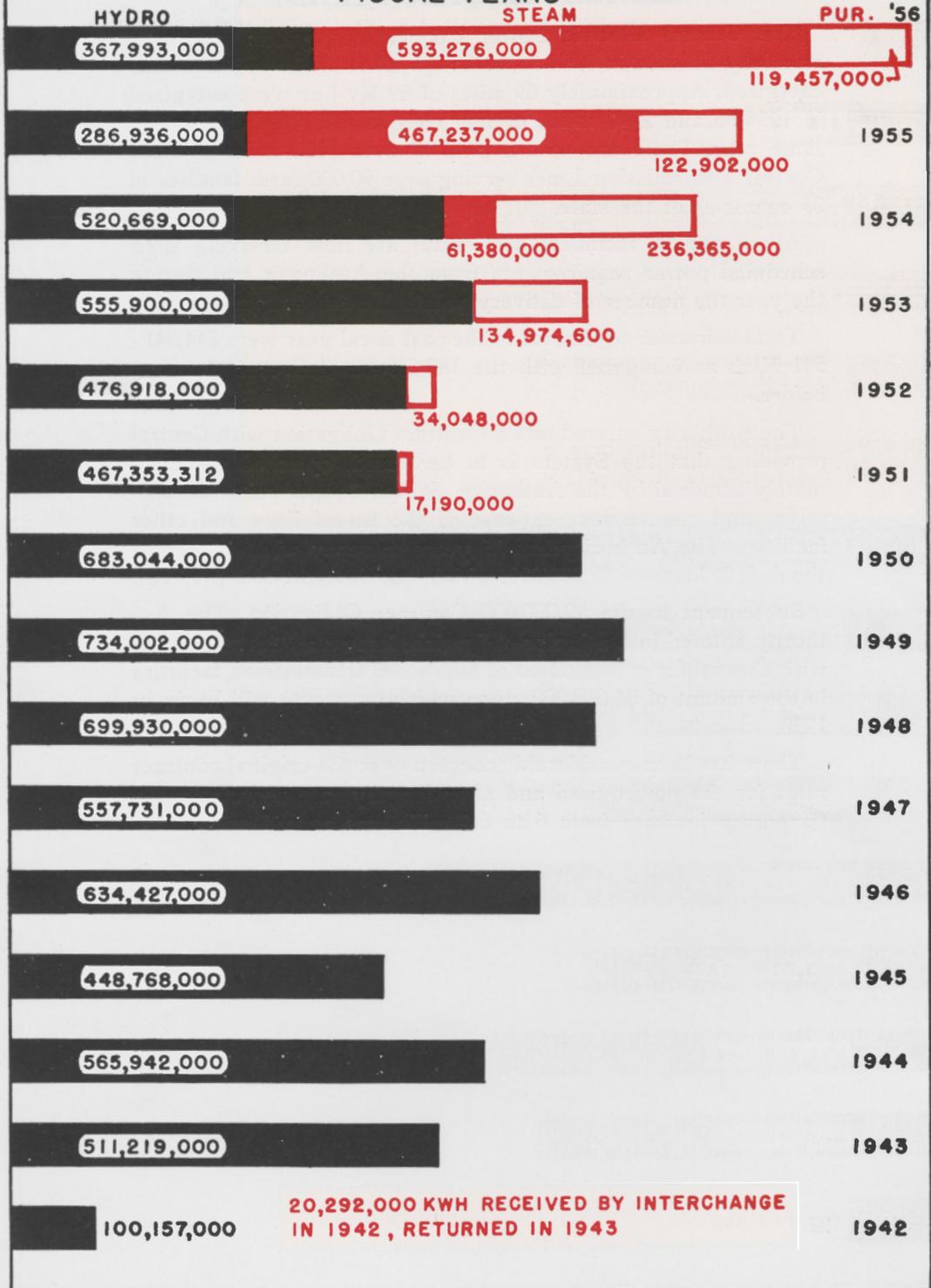


Steam Plant: Upper View is of Railed Gallery in Front of Control Room. Below is East Portion of Turbine Room (Photo by Iris Veit)

**TOTAL SALES (Whse) IN KILOWATT HOURS
FOR PAST FIFTEEN FISCAL YEARS**



GENERATION & PURCHASES - KILOWATT HOURS FISCAL YEARS



CENTRAL ELECTRIC SYSTEM

The Central Electric Power Cooperative system was substantially finished in 1954-55, although all facilities had not been energized. Approximately 69 miles of 69 Kv line were energized in 1955-56 and 27½ miles of line were constructed during the same year. There are now a total of over 1100 miles of such Central Transmission Lines serving over 90,000 farm families in 35 countries of the state.

All of the 16 members of Central are now receiving their scheduled power requirements from the Authority and during the year the number of delivery points increased from 50 to 60.

Total deliveries to Central in the past fiscal year were 244,841,541 Kwh as compared with the 189,659,228 delivered the year before.

The Authority entered into a Contract Obligation with Central providing that the System is to be leased, operated and ultimately acquired by the Authority. Santee-Cooper bears all operating and maintenance expense of the leased lines and other facilities. The Authority has 35 years to repay what is termed the A & B loans of \$9,000,000, which bear interest of 2 per cent.

Subsequent to the \$9,000,000 Contract Obligation, The Authority entered into a junior obligation, known as the "C" Loan, with Central for construction of additional transmission facilities in the amount of \$4,618,000, upon which payments will begin in 1958.

There has been considerable concern over the original contract rates for the power used and after lengthy rate negotiations a temporary increase from 6 to 6.4 mills was agreed upon.

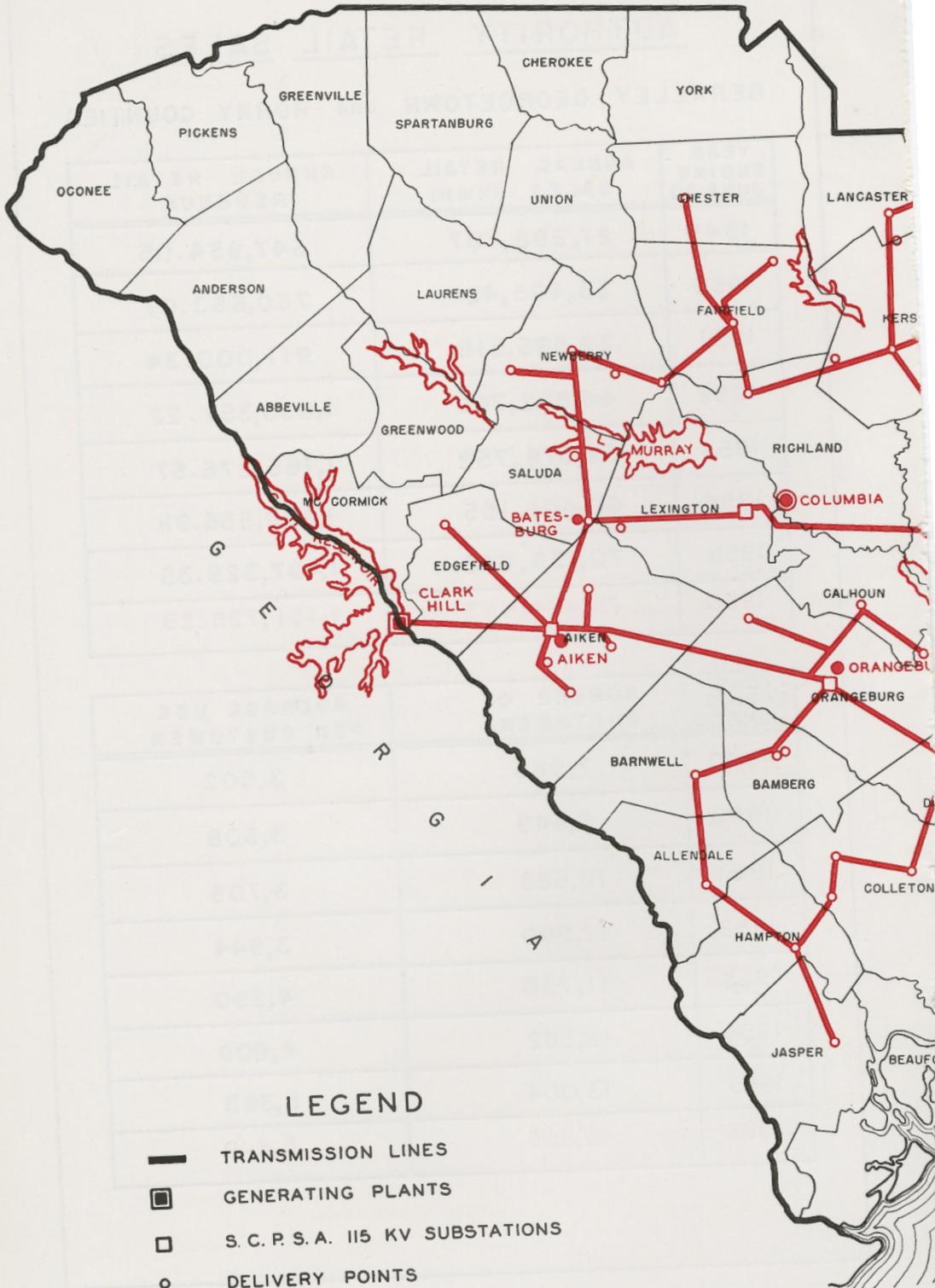
AUTHORITY RETAIL SALES

BERKELEY, GEORGETOWN and HORRY COUNTIES

YEAR ENDING JUNE 30	ANNUAL RETAIL SALES (KWH)	ANNUAL RETAIL REVENUE
1949	27,898,707	647,934.05
1950	33,493,421	760,663.07
1951	39,595,518	911,000.34
1952	44,562,760	1,033,352.22
1953	52,578,752	1,165,276.57
1954	60,408,155	1,295,555.98
1955	70,159,642	1,497,328.35
1956	75,494,663	1,751,725.29

YEAR ENDING JUNE 30	NUMBER OF CUSTOMERS	AVERAGE USE PER CUSTOMER
1949	7,966	3,502
1950	9,549	3,508
1951	10,688	3,705
1952	11,299	3,944
1953	11,736	4,290
1954	12,562	4,809
1955	13,004	5,395
1956	13,855	5,449

N O R T H



RETAIL DIVISIONS

Conway and Myrtle Beach Districts :

During the past fiscal year revenues in the Conway and Myrtle Beach Districts amounted to \$1,522,600.47, an increase of 22.16% over the previous year. Customers in these districts used 63,423,424 Kwh. This is an increase of 11.66%. The average number of customers served increased from 10,268 to 11,788 or a gain of 1,520. The average rate charged these customers was 2.35 cents per Kwh.

The Authority spent \$485,428.52 to expand and improve electric service in these districts during the year.

The Conway distribution system was converted to 4,160 volts and increased capacity was installed in the Conway substation.

New substation structures and larger transformers were installed in the Hurl Rocks, Oil Plant and Washington Park substations. A 4,687 Kva capacity transformer was installed in the Crescent Beach substation to provide for future growth in this area. New and heavier feeder lines were constructed from several substations and three phase service provided at Garden City Beach.

Thirty-six additional mercury vapor lights were added to the Myrtle Beach street lighting system.

Thirteen additional mercury vapor lights were added to the Ocean Drive street lighting system.

The Pawley's Island area of Georgetown County was incorporated in the Myrtle Beach District during the year.

Five miles of 33 Kv transmission line was energized to serve a new substation of the Santee Electric Cooperative south of Georgetown. Three new R. E. A. substations were energized at Cedar Creek, Georgetown and South Conway.

Berkeley District :

During the past fiscal year the Berkeley District received revenues amounting to \$215,331.28, an increase of 18.48%. There were 10,134,758 Kwh consumed by customers in this district.

The average number of customers increased from 1,439 to 1,492, a gain of 53. The average rate to these customers was 2.10 cents per Kwh.

The Authority spent \$72,656.95 to expand and improve electric service in this district during the year.

Voltage regulators were installed at the Russellville and East-side substations.

A distribution line was built to serve the Moncks Corner sewerage pumping station near Stoney Landing.

A distribution line and substation was built to serve the Albany Felt Company at St. Stephen.



Electric line crews are available for any emergency . . . to repair broken poles, to restore storm-torn lines, to keep electric light and power services going in homes, hospitals, stores, and factories. Normally these men work by day to build more lines for more service to more customers, but, when unexpected trouble occurs, neither storm nor time deters them.

DIVISIONS

Central Division:

No new lines or substations were added in this division during the year.

Southern Division:

Service was established to the Eastover substation of the Central Electric Power Cooperative.

Western Division:

Approximately seven miles of 44 Kv transmission line was added in this division. Two new substations of the Central Electric Power Cooperative were connected near Lexington and Prosperity.

Northern Division:

Approximately eighty miles of 69 Kv transmission lines were energized in this division. Connections were made to substations serving Cooperatives at Hemingway and Friendfield.

General:

The Authority had 1,510 miles of transmission lines in service on June 30, 1956.

**Authority Retail Sales
Berkeley, Georgetown and Horry Counties
Year Ending June 30, 1956**

Annual Retail Sales (KWH)	Annual Retail Revenue	Number of Customers	Average Use Per Customer
75,494,663	\$1,751,725.29	13,855	5,449

STEAM

PLANT

The Authority's Steam Plant planned originally as a standby or auxiliary source of power to its Hydro Plant had to carry the main load during the past fiscal year due to lack of rainfall in the 15,000 square miles of watershed.

There were 593,276,000 Kwh generated by steam as compared with 367,993,000 generated in the Hydro Plant.

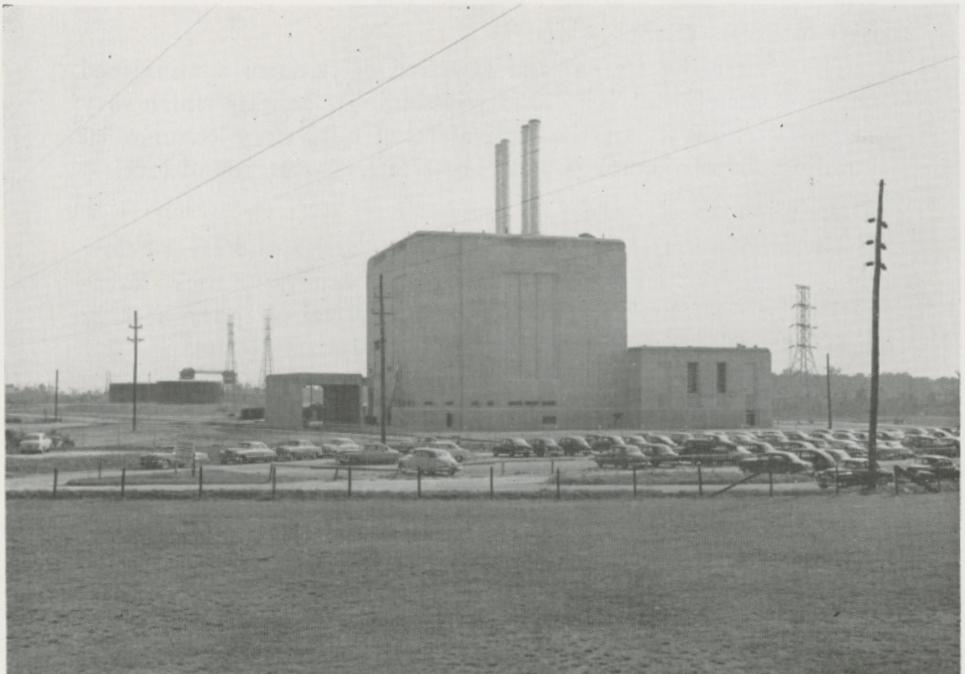
Instead of the expected usage of 164,000 tons of coal, there were 235,832 tons consumed along with 29,927 barrels of oil, for a fuel cost of \$2,117,151.86.

An emergency stockpile of 170 cars of coal valued at \$85,000 was accumulated during the past fiscal year.

REVIEW OF STEAM PLANT FIGURES

Capacity:

The initial installation consists of two 50,000 Kw capability turbine generators and two 460,000 pounds per hour steam gen-



The Authority's Busy Steam Plant

erators capable of generating over 870 million Kwh if under continuous operation at full load for entire year. This gives the Authority a total installed name plate capacity in hydro and steam of 214,535 kilowatts.

Heat and Pressure:

Steam temperatures up to 900 degrees fahrenheit creating pressure up to 900 pounds per square inch.

Auxiliary Steam:

The two steam generators are oversized in order to provide approximately 60,000 pounds of steam per hour each, for sale to industrial plants which are expected to locate nearby.

Fuel:

The steam generators are designed and equipped for both oil and pulverized coal firing.

Water Supply:

Plant cooling and service water will be taken from the tail race of the hydro plant where the minimum flow is more than ample for the ultimate steam plant development.

Voltage:

The generating voltage is 13,800. The auxiliary voltages are 2400 and 440. Transformers will raise voltage to 115 Kv. From these transformers the circuits are carried on steel towers to new switchyard for transmission to the trade.

Size of Steam Plant:

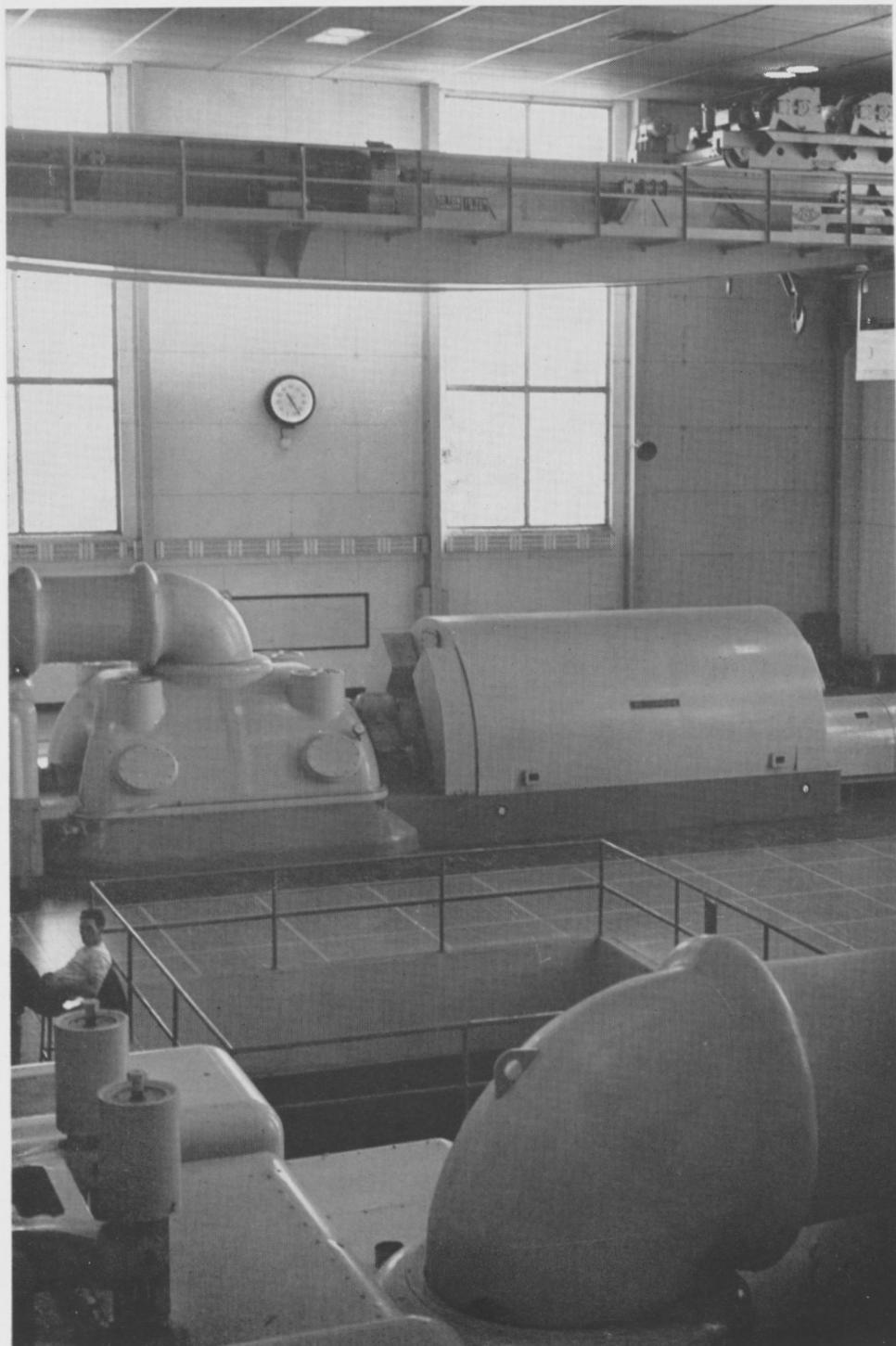
The generating station and attached office form a reinforced concrete structure, 140 x 200 ft. with building heights which vary from 40 to 100 ft., or the equivalent of a 10-story commercial building. Tops of smoke stacks are 175 ft. above ground level.

Foundation:

The foundations extend to a maximum depth of 46 feet below the ground floor level to good bearing on limestone rock. Excavation for the foundation required the removal of approximately 65,000 cu. yds. of earth, marl and limestone.

Water Required:

Approximately 100,000 gallons of water per minute are required to condense the exhaust steam from the two turbines under full load. This water is all returned to the tail canal unchanged except for a rise in temperature of about 10 degrees fahrenheit.



Good View of One of the Two 50,000 K. W. Capacity Steam Turbine Generators (Photo by Iris Veit)



Four Views of the 1956 System-Wide Safety Meeting held at Wampee. Chairman James H. Hammond, standing, presided at Luncheon. In top picture on opposite page, General Mark W. Clark, President of The Citadel can be seen addressing Santee-Cooper Employees and guests.





RECREATION

Sport fishing is at its best at Santee-Cooper. Rock Fish or Striped Bass abound. Large Mouth Bass, Bream and Crappie are the other leading catches.

Santee-Cooper fishing permits are sold by the S. C. Wildlife Resources Department, and the proceeds used to restock the lakes and to assure legal fishing. The Authority receives no portion of the moneys paid for fishing permits.

A Creel Census appearing in the 1956 Spring Edition of "South Carolina Wildlife" tells of an estimated annual catch of 64,000 Rock Fish or Striped Bass weighing over 470,000 pounds. By the same estimate there were 434,850 crappies caught in the census year ending August 31, 1955.

The scope of the Creel Census was roughly estimated to account for an average, ranging from 5 to 10 per cent, of the total fishing effort expended for all species on the two great lakes.





South Carolina
Wildlife Resources Department
Columbia

July 17, 1956

DIVISION OF GAME
A. A. RICHARDSON
DIRECTOR

Honorable John A. Zeigler,
Secretary-Treasurer
S. C. Public Service Authority,
Moncks Corner, S.C.

Dear John:

Reference is made to your letter
July 16th. I quote below the number of
Santee-Cooper fishing permits issued for the
fiscal year July 1, 1955 through June 30, 1956:

Santee-Cooper permits	48,618	\$48,618.00
Non-Game Fish Permits	6,729	3,042.00
Combination Non-resident Fishing Permits	8,450	25,350.00
* Commercial Fishermen's license	34	3,400.00

Yours very truly,

A. A. RICHARDSON
Director

AAR-ns

* Abolished by an Act of the Legislature approved
the 16th day of March, 1956.



Nice Catch for a Cane Pole Fisherman

(The following was taken from Report S. C. Wildlife Resources Department.)

Findings:

“The sample tabulation reveals that 17,974 fishermen caught a total of 95,750 fish, represented by seven major species. The sunfish catch was designated simply as bream. Bluegills were observed to comprise at least 95 per cent of the total bream catch. In similar fashion, the catch of white catfish, channel catfish, and bullheads was classified merely as

catfish, although the white catfish, ranked highest in the number caught. (Note: No figures are kept on the extensive commercial catfish industry.) The bulk of the crappie catch was composed of black crappie, although some white crappie were occasionally caught.

Striped bass:

Striped bass were available to the fishery on a year-round basis and reached a high of 55.3 per cent in the total catch composition during the month of January. The special importance of striped bass during this month stemmed from the fact that it was the only species which could be caught in appreciable numbers during severe cold weather. The largest number of striped bass were harvested during the months of October, November, May, June and July. A total of 3,864 successful fishermen caught 6,451 striped bass during the year. The average catch per man, for each of the months covered, shows a surprisingly high degree of consistency throughout the year. The highest average catch per man was achieved during October, November, June, July and August. The catch during the fall, winter and spring months

consisted mostly of large fish of from seven to twenty pounds; whereas, summer fishing was supported by considerable numbers of smaller fish of from one to five pounds.

The most productive methods used in catching striped bass were as follows:

1. **Jump fishing:** Schools of bass were spotted while they were feeding at the surface on schools of forage fish. Fishermen raced in boats to the feeding areas and cast bucktail lures while the schools were at the surface, and after the fish sounded, these lures were bumped on the bottom. Often during the fall months of September, October and November, the schools were spotted by watching the low flying and hovering action of sea gulls over the feeding areas of the striped bass.
2. **Trolling:** This method was probably the most effective on a year round basis. Plugs, bucktails and cut bait were used in this manner. The favorite baits were gizzard shad, herring and needlefish. Needlefish were used principally in the deep water behind the Pinopolis Hydro-electric Plant during the fall and winter months.
3. **Still fishing:** Either live or cut bait was fished deep in the areas where striped bass were known to concentrate. This method was very effective at night near the vicinity of the Pinopolis Dam and Hydro-electric Plant. Needlefish and herring were the most common bait. Long cane poles with 25 to 50 pound test lines constituted the usual gear.

Periodic weight samples of striped bass were taken at random to determine the average weight of fish caught by the sport fishermen. A total of 764 striped bass weighed 5,576.7 pounds, for an average of 7.3 pounds per fish.

The striped bass population was distributed throughout both lakes; however, the population appeared to be most abundant in Lake Moultrie during the greater part of the year. Approximately 75 per cent of all striped bass caught were taken in Lake Moultrie and the Diversion Canal. February was the only month in which a larger number were caught in Lake Marion than in Lake Moultrie. From all indications, a mass movement into Lake Marion occurred during February and March, prior to the start of the spawning season. Based on catch reports, this movement

progressed up into the tributaries; the Congaree and Wateree Rivers. After the spawning season, during the latter part of May, large numbers were caught in Lake Moultrie near Pinopolis Dam.

Striped bass assembled in large schools during the fall and early winter months, and engaged in wide ranging feeding movements.

During the early spring months the size of the schools was reduced, with the population apparently segregated according to sex. The catches during this time were usually predominated by males. During April, the catch was composed mostly of immature or maturing females. Soon after the spawning season, the greater part of the catch consisted of large size, spent females.

Beginning during the latter part of June, the population again demonstrated a schooling tendency; however, both the size of the schools and size of the fish caught, were smaller than during the fall months. During July and August, most of the fish were caught either in the Diversion Canal or the open water region of Lake Moultrie.

Throughout the year, striped bass showed a predilection for the deep water areas in the reservoir, and seldom frequented the shallow coves near the shore.

The creel census did not include a coverage of the sizeable fishery in the tributary streams of the reservoir. Large numbers of fish were caught in both the Congaree and Wateree Rivers during the spring and summer months. A large fishery was especially maintained in Wateree River below Wateree Dam during the months of June, July and August.

The creel census operation was roughly estimated to account for approximately 10 per cent of the striped bass fishing effort. As a result of the catch tabulation and weight samples taken, the annual harvest of striped bass is estimated to exceed 64,000 fish, and a total weight of over 470,000 pounds. This estimate is believed to be conservative.

Largemouth bass:

The largemouth was important to the fishery, principally during the fall and early spring months of the year. The largest number were caught during the months of April and May. The highest average catch by successful fishermen occurred during May when the catch averaged 2.6 fish per man.

Spring fishing was most productive around the shoreline in water from two to six feet deep. Possibly the largest number were caught by fishermen wading out in the shallows and casting artificial lures around tree stumps and brush piles. During the summer, most fish were caught by trolling deep running plugs.

Fall and winter fishing were successful in both the deep water areas and in the shallow coves. Live fish, usually minnows, was the favorite bait used during this season. Many largemouth bass were caught incidentally by striped bass fishermen.

Weight samples from 66 bass caught by fishermen, averaged 2.3 pounds per fish.

Although largemouth exceeded striped bass in the total number caught, the total monthly catch was less consistent on a year-round basis. Largemouth exceeded striped bass, in numbers caught, only during five months of the year.

Crappie:

Crappie, predominantly the black species, ranked highest in the total number of all species caught in the reservoir. The 10 per cent of fishermen sampled caught a total of 43,485 crappie. The largest number caught occurred during April. The highest rate of catch, however, was recorded for the month of May, when an average of 7.7 fish per man was caught by successful fishermen. The average for the year was 6.6 fish per man. Crappie outranked all other species in the total catch composition from the reservoir during October, December, February, March and April. Fishing was poorest during the warm summer months.

Although the greater number of the crappie catch was taken from Lake Marion, good catches were made in the upper part of Lake Moultrie, especially during February and March. The better year-round fishing and consistency of the fishery in Lake Marion is attributed to the preferable habitat in this lake. Lake Marion has a considerable acreage of dead trees which were left standing when the reservoir was impounded. These trees, stumps and brush piles are believed to contribute to the good crappie fishing by creating areas of concentration where the fish can be more easily harvested. Lake Moultrie, on the other hand, was almost completely denuded of standing trees before impoundment began. Crappie fishing is restricted mainly to the more shallow cove areas in Lake Moultrie.

The average size of the crappie caught in the reservoir during 1955 were rather large. Periodic weight samples of fish caught totalled 912 pounds. Of 850 fish weighed, the average was 1.1 pounds per fish. Several record size fish were caught which ranged in size from 5.0 to 5.5 pounds. The largest fish weighed, in connection with the creel census work, was 5.0 pounds. A large number of 3.5 to 4.0 pound fish were weighed.

Bluegills:

The bluegill was the most important species in total number of fish caught during the summer months. The largest monthly catch occurred during the month of May. Fishing in May also produced the highest rate of catch, when an average of 10.5 fish per man was reached. During the year, a total of 3,766 fishermen caught 34,473 bluegills, for an average catch of 9.2 fish per man. Fishing for bluegills was distributed in both lakes, although the bulk of the catch came from Lake Marion.

The average weight of the bluegills caught, base on 420 weight samples, was 0.33 pound per fish.

Yellow perch:

The yellow perch is not considered an important fish in the lakes although a sizeable population is present. Most of the yellow perch were taken incidentally in the fishery by bluegill and crappie fisherman.

During the Census year, 389 yellow perch were counted, with the highest number being taken in February. Most of the yellow perch caught, weighed less than 0.5 of a pound.

Chain pickerel:

The chain pickerel, known locally as jackfish, was not caught in appreciable numbers during the year, except for the month of February. This species reached its height of importance in the fishery during January when it represented 9.9 of the total catch of all species.

A large percentage of the number of pickerel caught were taken incidentally by largemouth bass fishermen. In all, a total of 533 were counted during the year.

The largest chain pickerel known to have been caught during the year weighed 4.8 pounds. The majority, however, averaged around 1.5 pounds per fish.

Catfish:

In addition to the large commercial fishery for catfish on the lakes, there is also a significant demand for this species in the sport fishery, although it is not a game fish. The majority of the fishing for catfish, however, is done by non-county residents, from the upper regions of South Carolina. A large percentage of the total catfish catch can be attributed to striped bass fishermen. Since both the catfish and striped bass are often found feeding together near the bottom, the catch is often mixed. Many of the established striped bass fishermen, however, when catching a catfish, will scornfully cast it back into the water.

Although the bulk of the catfish catch consisted of white catfish, many large channel catfish were also caught. These large channels, often caught by trolling striped bass fishermen, range from 15 to 40 pounds in weight.

Catfish were caught the year round and appeared to be more numerous in the catch during the summer and fall months.

BOATING

The 165,000 acres of water in the two great Santee-Cooper lakes make an ideal setting for all kind of boating. You might see the smallest canoe or huge tug propelled barges plying these vast waters. Motor boat racing and water skiing are familiar sights. An occasional quiet sailboat drifts in slow motion across the scene.

BATHING

Bathing is being enjoyed by thousands along the many miles of sandy shores of both Lake Marion and Lake Moultrie. At this writing Thornley Beach near Moncks Corner is the most popular. Any summer weekend will find from four to five thousand in bathing suits at this resort. White Point Beach near Bonneau is also very popular as are the Army and Navy Beaches on Overton Peninsula and the Santee State Park Beach near Ellore. Many Charlestonians prefer the fresh cooling waters of Santee-Cooper's two great Lakes to salt water bathing at much nearer seashore.

HUNTING

There's good hunting in the Santee-Cooper Region. Deer, quail, ducks, and Canada geese are found here in ever-increasing quantities. The time limits noted below may be changed for cause.

Quail:

Quail or Bob White in the Wildlife Protected areas have increased by almost unbelievable percentages. They have overflowed into open hunting grounds. The quail hunting season opens on Thanksgiving Day and ends March 1st. Limit 15 per day.

Deer:

This region abounds in white tail bucks. (The killing of does is illegal.) The deer hunting season opens on August 15th and ends January 1st. Limit 5 per season. Hunting Clubs control large acreages but many acres of woodlands are open to public hunting.

Duck and Geese: Federal Regulated.

The "Blue Goose" emblem guards certain sanctuaries in the Santee National Wildlife Refuge against the hunting of duck and Canadian geese but there are many open areas in the Region where good hunting can be had. Season generally opens November 7 to January 15th. Limits—Ducks 4, Geese 2 to 4. Shooting hours are half hour before sunrise to sunset.

RECREATIONAL SUBDIVISIONS

Lakeside homesites are now available for sale or on long term leases in 13 well located subdivisions. All of the lots with the exception of the front row lots in the Church Branch Subdivision are for sale or lease.

The rentals to be paid for recreational lots after August 1, 1956 are at the minimum rate of \$60 per year for lots classified as "A" lots—\$40 for lots classified as "B" lots and \$30 for all "C" lots.

Those wishing to purchase their Lakeside homesites have the option of either paying cash or one-third payable at the time of sale and the balance in two equal yearly instalments with interest at the rate of 6%.

DUBOIS SUBDIVISION—Located three miles west of Bonneau, S. C. on Lake Moultrie. Was opened for leasing in 1945 and is fast growing into a year-round resort.

CHURCH BRANCH SUBDIVISION—Located 12 miles south of Manning, S. C. on State Highway 260. Contains 590 residential lots. (Plats available.)

WYBOO SUBDIVISION—Located 12 miles south of Manning, S. C. near State Highway No. 260.

DAVIS SUBDIVISION—of commercial sites. Located near Church Branch on Highway 260, Wyboo and Frierson Subdivisions to serve their commercial needs. (Plats available.)

FRIERSON SUBDIVISION—Located 12 miles south of Manning, S. C. near State Highway No. 260. Contains 84 lots.

EUTAW SPRINGS SUBDIVISION—Located in Orangeburg County near site famous battleground on Highway No. 6, three miles east of Eutawville, S. C. (Plats available.)

CLARK SUBDIVISION—Located 12 miles south of Manning, S. C. near Highway 260.

CROSS SUBDIVISION—Situating off Highway 6 in the Cross area on the Northwestern shores of Lake Moultrie.

FOUNTAIN SUBDIVISION—Affords shady, cool homesites on the Orangeburg County side of Lake Marion between Santee and Eutaw Springs off of State Highway No. 6.

BELVIDERE SUBDIVISION—Near Fountain and is near some of best fishing in Lake Marion.

ST. JULIEN SUBDIVISION—In same general locality as Fountain and Belvidere on Lake Marion.

THORNLEY SUBDIVISION—Located near Lion's Beach, two miles north of Moncks Corner on Lake Moultrie.

TAW CAW CREEK SUBDIVISION—Situating three miles southwest of Davis Station on Clarendon County shore of Lake Marion—Santee-Cooper's newest subdivision.

VISITORS

Visitors from every state in the Union have journeyed out of their way to see the engineering marvel that is Santee-Cooper. Engineering classes from Clemson, The Citadel, and the University of South Carolina see the practical demonstration of both Hydro and Steam electric generation at its most efficient best.

Thousands of school children are taken on educational conducted tours of this vast state-owned and operated enterprise. Very often a day at Santee-Cooper is a part of the program of state and national conventions meeting in nearby Charleston.



Boat Load of Visitors Enjoy Lift in Lock

MALARIA

CONTROL

By E. T. HEYWARD, Chief of Health and Sanitation

In submitting the Annual Report for this Department we believe there can be no question concerning the efficient job of mosquito control that has been done on the reservoirs. Under the program methodically pursued we can point with pride to what has been accomplished, realizing, however, that the problem becomes more important as time passes, and that there should be no relaxation of effort in maintaining a high degree of control.

With the increase of population and industry, the intensive development of agriculture, and the expansion of recreational facilities, public interest for mosquito control has been steadily increasing. Since this trend will continue we cannot become complacent but must study our present situation in the light of these developments and continue our aggressive program in all its phases. Basic studies of new problems created by changing conditions are essential and we will continue to develop control measures suited to these changing conditions. Where once there were hundreds of cases of malaria in the basin area, today there are none. Many think of various reasons for the great economic changes taking place in the low country, and many consider control of mosquitoes, and the malaria they carried, to be fundamentally the most important.

Health conditions in the basin area have been revolutionized by mosquito control. Regions are now healthier, safer for men as a result of the tremendous amount of research, and the high quality of the mosquito control program which has been carried on since 1939.

For a mosquito control program to be successful it must have a firm foundation. It must have a plan of survey, a system of determining control techniques and a method of evaluating results. Field inspections conducted by the Sanitarian and the Malaria Control Inspectors during the mosquito breeding season

provided this Department with essential information relative to the density of mosquito larvae, the activity of adult mosquitoes, the effectiveness of control measures and general reservoir conditions that might be conducive to mosquito breeding. From these inspections the need and type of action required to combat mosquitoes were determined. Our activities were not confined entirely to portions of the reservoirs under organized control but were extended to areas which, because of changing conditions, will probably have to be included in the program of control work.

The effectiveness of our over-all program was enhanced by placing emphasis upon those areas where the marginal population was dense, and where data from field inspections showed mosquito breeding more prevalent. From the measurement of mosquito occurrence as determined by inspections at larval dipping stations and adult mosquito catching stations we were able to accurately note the trend and the success of the preventive or remedial program.

The program of airplane application of D. D. T. solutions operated satisfactorily through the mosquito breeding season. Oil solutions of D. D. T. again proved to be a most effective larvicide. With the exception of extreme conditions it was found that adequate control could be maintained with a dosage of 0.1 lb. D. D. T. per acre. At no time was it found necessary to increase the dosage beyond 0.2 lb. per acre of water surface. Application at this rate is not hazardous to plants, fish, or warm-blooded animals. Airplane application of D. D. T. solutions is still considered the most effective, the safest and most economical larvicide for our particular problems.

Realizing that the least controllable factors that limit the effectiveness of aerial applications are air movement, temperature and humidity, the planes under contract operated only during the early morning or late evening when air movement and temperature are at their lowest and humidity at the highest. Droplet size and pressure were carefully regulated, and the pilot was instructed to fly at low altitudes in order to secure uniform coverage and maximum penetration of plant cover.

During the year the planes under contract sprayed a total of 30,000 acres, using 6,875 gallon of fuel oil and 706 gallons of 35% D. D. T. concentrate.

Hand equipment was used to supplement airplane equipment chiefly for spot treatment of localized breeding and in areas where for various reasons airplane application would not be practicable. During the mosquito breeding season the hand-crew sprayed a total of 10,935 acres of water surface, using 9,254 gallons of special fuel oil.

As is customary, during the off-season months our work consisted of re-clearing, ditching, and shore line inspections. Our ditching operations were confined to the Pinopolis peninsula area of Lake Moultrie where numerous transverse ditches make a perpetual problem of correcting and treating small sources of mosquitoes that may prove so annoying in this residential area. These ditches require maintenance to deal with obstructions, bank erosion, and growth of vegetation, for it is realized that ditches that do not drain properly add to the expense of control work. It is admitted that drainage is not a panacea but in this particular locality it has been a most satisfactory method of control against nuisance mosquitoes, making unnecessary or reducing repetitive treatments with larvicides. The crew assigned to this work cleaned 21,526 lineal feet of ditches, removing 7,175 cu. ft. of material, expending 663 manhours.

Favorable weather and low lake elevations enhanced the re-clearing program. The value of this work in our mosquito control program has been repeatedly demonstrated. Re-clearing destroys the food of larvae, improves the rate of flow, and removes the breeding edge. The removal of coppice and vegetation exposes the larvae to natural enemies, such as larvivorous fishes, so that they can devour them, and also increases the effect of wave action. The penetration and effectiveness of larvicides are greatly increased by the removal of protective coverage. The re-clearing program was a joint undertaking of the Health and Sanitation and Engineering Departments. Health and Sanitation forces re-cleared a total of 222.5 acres, expending 4,956 manhours. The Engineering forces re-cleared a total of 66 acres.

Our field inspectors made the annual off-season inspections of all shore lines for the purpose of getting data in reference to density of coppice, vegetation, debris, and other factors potentially conducive to mosquito breeding, such data being utilized in formulating future control activities.

Realizing that the control of nuisance mosquitoes require coordinated community effort to be effective, the Department

cooperated with the marginal population, suggesting control methods for individual problems and stressing the need for continuing control from year to year.

We take pride in the fact that since 1948 no proved case of malaria has occurred within our area of responsibility. We are cognizant that this cannot be taken as an assurance that the disease is completely eradicated or that it will not be re-introduced. Vigilance must be maintained and the necessity for extensive control measures still exist. The marked reduction in the number of anophelines has enabled the Department to give more attention to nuisance mosquitoes, and a considerable portion of our efforts have been adapted to this end.

ANNUAL AUDIT

The following Letter of Transmission, Balance Sheet (with Notes), Statement of Accumulated Net Revenues and Statement of Revenues and Expenses are taken from the Audit Report of J. W. HUNT AND COMPANY, *Certified Public Accountants*, appointed by The Advisory Board.

J. W. HUNT AND COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
Columbia, South Carolina

*The Advisory Board,
South Carolina Public Service Authority,
Columbia, South Carolina.*

Gentlemen:

We have examined the balance sheet of the South Carolina Public Service Authority as at June 30, 1956, and the related statements of revenue and expenses and accumulated net revenue for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Our report, prepared as the result of such examination, is presented herewith and consists of eight (8) exhibits and sixteen (16) schedules, as indexed. We also present the following analysis of the changes in your financial position during the year:

Funds Provided:

By Profits:

Net Income for Year—Exhibit C.....	\$ 575,576.49	
Add, Charges not Requiring Funds:		
Depreciation	\$ 1,366,625.04	
Amortization of Debt Expense.....	24,760.44	1,391,385.48
		<hr/>
Total	\$ 1,966,961.97	
Less, Refund of Revenue Collected in Prior Year.....		13,042.00
		<hr/>
Net Funds Provided by Profits.....	\$ 1,953,919.97	
By Increase in Contract Obligations.....		79,825.43
By Contributions in Aid of Construction.....		2,254.54
By Collection on Note Receivable.....		449.53
		<hr/>
Total Funds Provided.....	\$ 2,036,449.47	

Funds Applied:

To Increase Working Capital:		
Increase in Current Assets	\$ 292,193.49	
Less, Increase in Current Liabilities	34,612.63	
	<hr/>	\$ 257,580.86
To Retirement of Electric Revenue Bonds		650,000.00
To Increase Cash and Securities Held by Trustee in Segregated Accounts:		
Debt Service Reserve Fund	\$ 386,532.28	
Contingency Fund	42,272.12	
	<hr/>	428,804.40
To Net Additions to Electric Plant:		
Electric Plant in Service	\$ 548,055.29	
Construction Work in Progress	53,675.50	
	<hr/>	601,730.79
To Increase Deferred Charges		51,594.71
To Payment vs. Deferred Clearing		46,738.71
		<hr/>
Total Funds Applied		\$ 2,036,449.47

In our opinion, the accompanying balance sheet and the statements of revenue and expense and accumulated net revenue present fairly the financial position of the South Carolina Public Service Authority as of June 30, 1956, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with prior years.

Respectfully submitted,

J. W. HUNT AND COMPANY.

INDEX, June 30, 1956

EXHIBITS :

- A Balance Sheet
- B Statement of Accumulated Net Revenues
- C Statement of Revenue and Expenses
- D Statement of Operating Expenses—Production
- E Statement of Operating Expenses—Transmission
- F Statement of Operating Expenses—Distribution
- G Statement of Other Operating Expenses
- H Condensed Summary of Receipts and Disbursements

SCHEDULES :

- 1 Statement of Electric Plant in Service—Santee Division
- 2 Statement of Electric Plant in Service—Horry Division
- 3 Statement of Electric Plant in Service—Berkeley Division
- 4 Statement of Electric Plant in Service—Georgetown Division
- 5 Statement of Electric Plant in Service—Central Electric Power Cooperative, Incorporated
- 6 Statement of Reserve for Depreciation
- 7 Statement of Construction Work in Progress
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- 9 Statement of Cash and Temporary Investments
- 10 Statement of Other Physical Property
- 11 Statement of Note and Accounts Receivable
- 12 Statement of Materials and Supplies Inventories
- 13 Statement of Insurance in Force
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- 15 Statement of Deferred Charges
- 16 Statement of Salaries and Wages Paid

EXHIBIT A
SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
Balance Sheet, June 30, 1956

Electric Plant (See Note 1):**ASSETS**

Electric Plant in Service:			
Santee—Schedule 1		\$ 83,054,068.10	
Horry—Schedule 2		4,230,192.80	
Berkeley—Schedule 3		751,333.07	
Central Electric Cooperative—Schedule 5		8,989,544.34	
		<hr/>	
Total		\$ 97,025,138.31	
Deduct, Reserves:			
Depreciation—Schedule 6	\$ 7,976,828.45		
Deferred Clearing	165,899.07	8,142,727.52	
		<hr/>	
			\$ 88,882,410.79
Construction Work in Progress—Schedule 7			215,902.02
Electric Plant Held for Future Use—Schedule 8	\$ 226,511.24		
Deduct, Reserve for Depreciation—Schedule 6		18,418.54	208,092.70
		<hr/>	<hr/>
Total Electric Plant			\$ 89,306,405.51
Investments and Funds:			
Cash and U. S. Treasury Securities Held by Trustee—Use Restricted by Trust			
Indenture—Schedule 9 (See Note 2)		\$ 3,706,817.81	
Other Physical Property—Schedule 10	\$ 177,462.93		
Deduct, Reserve for Depreciation—Schedule 6	2,531.02		
		<hr/>	
		174,931.91	
Note Receivable—Schedule 11		3,099.03	
		<hr/>	
			3,884,848.75

EXHIBIT A—Continued
Balance Sheet, June 30, 1956

Current Assets:

Cash on Hand on on Deposit—Schedule 9.....	\$	224,402.55	
Accounts Receivable—Schedule 11	\$	680,194.89	
Deduct, Reserve for Bad Debts		59,324.21	
		620,870.68	
U. S. Treasury Securities—Schedule 9		20,111.95	
Accrued Interest Receivable.....		10,218.50	
Materials and Supplies—Schedule 12.....		534,139.24	
Prepayments (Insurance and Licenses).....		71,186.40	
		1,480,929.32	

Deferred Charges:

Debt Expense	\$	614,344.28	
Preliminary Survey and Investigation Charges—Schedule 14.....		3,323.75	
Other—Schedule 15.....		59,002.44	
Retirement Work in Progress.....		36,158.54	712,829.01
		95,385,012.59	
Total			\$ 95,385,012.59

LIABILITIES

The notes set forth in the following sheets of this Exhibit are an integral part of this Balance Sheet.

Capitalization and Long-Term Debt:

Capital Contributed by United States Government (Less \$360,012.41 Expenses Applicable Thereto)		\$ 34,438,263.79	
Accumulated Net Revenue—Exhibit B (See Note 3).....		9,183,857.35	
		\$ 43,622,121.14	
Total			\$ 43,622,121.14
Long-Term Debt (See Note 4).....			50,989,841.18
Total Capitalization and Long-Term Debt.....			\$ 94,611,962.32

EXHIBIT A—Continued
Balance Sheet, June 30, 1956

Current Liabilities (Exclusive of Monthly Payments to the Trustee for Debt Service Requirements (See Note 4):

Notes Payable	\$ 27,380.52	
Accounts Payable	504,281.28	
Customers' Deposits	138,115.15	
Accrued Interest on Customers' Deposits	16,947.26	
Accrued Sums in Lieu of Taxes	17,227.69	
Contract Retentions	9,171.37	
Reserve for F. P. C. Charges	31,082.86	
Accrued Use Tax	1,415.87	
		745,622.00
Contributions in Aid of Construction		27,428.27
Long-Term Lease Commitments (See Note 5)		
Contingent Liabilities (See Note 6)		
Total		\$ 95,385,012.59

NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1956

Note 1—Electric Plant:

In order to effect an estimated reduction of \$9,450,000.00 in the initial expenditures for construction and to accelerate the completion of the project, the Santee Reservoir was flooded without making a complete clearing of the reservoir. The estimated direct cost of completing the clearing of this reservoir by removing floating timber in the amount of \$1,864,566.00 has been charged to the electric plant. Of this amount, \$1,698,666.93 has been expended through June 30, 1956, and the remainder provided by a deferred credit of \$165,899.07.

In accordance with generally accepted accounting practice, the Authority has capitalized interest as follows:

- (1) Interest during the initial construction period of the project.
- (2) Interest on the \$15,300,000.00 bond issue during the period of construction of the steam generation plant.
- (3) Interest on the "A-B" loans from the Central Electric Power Cooperative during the period of construction of the Central "A-B" System.

It has not been the policy of the Authority to capitalize interest on other construction. Such interest is relatively immaterial.

The Central "A-B" System is carried at a cost of \$8,989,544.34. This property is being acquired through an installment purchase contract (see Note 4), and the cost represents the charge through June 30, 1956 by Central Electric Power Cooperative, Inc., for funds expended by them for construction of the System and interest on the "A-B" loans during the construction period. We have not audited the expenditure of these funds but Central has confirmed the costs to us by correspondence. The Authority is to receive title to the property upon payment of the full amount of the contract obligation to Central.

Note 2—Segregated Funds:

The segregated funds are maintained and their use restricted in accordance with a Trust Indenture dated as of July 1, 1949, and the Second Supplemental Trust Indenture dated as of July 1, 1950. Generally, such funds may be used only for construction or capital improvements and to meet interest payments or bond maturities, in accordance with specific requirements covering each fund as contained in the Trust Indentures.

Note 3—Surplus Distributions:

The South Carolina law provides that "The South Carolina Public Service Authority is a corporation, completely owned by and to be

operated for the benefit of the people of South Carolina, and any and all net earnings thereof not necessary or desirable for the prudent conduct and operation of its business or to pay the principal of and interest on its bonds, notes or other evidences of indebtedness or other obligations or to fulfill the terms and provisions of any agreements made with the purchasers or holders thereof or others shall be paid over semi-annually to the State Treasurer for the general funds of the State and shall be used to reduce the tax burdens on the people of this State." Under the terms of the trust indentures, no earnings were payable to the State Treasurer during the year ended June 30, 1956.

Note 4—Long-Term Debt:

Bonds:

Electric Revenue Bonds, 2½%, Due Serially		
July 1, 1957-1989	\$ 26,994,000.00	
Electric Revenue Bonds, 2.25%-2.70%, Due		
Serially July 1, 1957-1993	15,050,000.00	
		\$ 42,044,000.00

Contract Obligation (on a Parity with Above Bonds):

Principal (Funds Expended for Constr.)	\$ 8,457,746.10	
Accumulated Interest During		
Period of Construction ..	\$522,230.08	
Less, Payments Made.....	34,135.00	488,095.08
		8,945,841.18
Total		\$ 50,989,841.18

The Contract Obligation arose through an agreement to purchase certain transmission lines (generally known as the A-B System) from Central Electric Power Cooperative, Inc., for a sum not in excess of \$9,000,000.00. Interest at 2% per annum is payable semi-annually on remaining principal balances—no interest is payable on the accumulated interest. Payments on the principal are due in semi-annual installments beginning January 1, 1958 and extending over a period of twenty-seven (27) years. The balance of accumulated interest during construction is payable in equal semi-annual installments beginning January 1, 1957 and extending over a remaining period of twenty-eight (28) years.

The Authority is required to make monthly payments to The South Carolina National Bank of Charleston, as Trustee, for debt service as set forth in the related trust indentures. See Exhibit H for full details of payments for debt service during the fiscal year ended June 30, 1956. Monthly payments to be made during the fiscal year July 1, 1956 through June 30, 1957 are approximately as follows:

Interest and Bond Fund Requirements:

Principal	\$ 55,833.33	
Interest (Including Accumulated Interest During Construction)	105,924.69	\$161,758.02
Debt Service Reserve Fund Requirements.....		32,122.17
Contingency Fund Requirements (\$18,000.00 Due Semi-Annually)		3,000.00
		<hr/>
Total		\$196,880.19

Note 5—Long-Term Lease Commitments:

The Authority has an additional contract with Central Electric Power Cooperative, Inc., to lease certain transmission lines (generally known as the C System) being constructed by Central at a cost not in excess of \$4,618,000.00. The rental is to be a sum equal to the interest on and principal of Central's indebtedness to the Government for funds borrowed to construct the C System. Rental payments are to commence during the fiscal year 1957-1958 and are due quarterly. The C System was approximately 90% complete at June 30, 1956. We have been advised by the Authority that rental accruals will be commenced October 1, 1956, the first month after full energization of the C System.

The Authority has an option to purchase the C System at any time during the period of the lease agreement for a sum equal to the amount of Central's indebtedness remaining outstanding at the time the option is exercised.

Note 6—Contingent Liabilities:

At June 30, 1956, eight actions were pending on court calendars in which the Authority was the defendant. The total recovery sought in these actions is \$534,175.00, none of which is covered by insurance. The Authority is defending the pending actions. We have been advised that three of these actions have been settled since audit date.

Note 7—General:

Requests had already been issued by the Authority at June 30, 1956 to the Trustee to transmit appropriate funds to the fiscal agents to meet interest payments and bond maturities due July 1, 1956. Such payments have been treated on the books and in this report as having been made as of June 30, 1956.

EXHIBIT B

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Accumulated Net Revenues, June 30, 1956

Balance, June 30, 1955:

Total Accumulated Net Revenues Through June 30, 1955. . . \$ 10,108,156.11

Deduct:

Cash Distributions to State Treasurer . . . \$ 1,411,164.85

Other Debits to Surplus—Net 96,350.78 1,507,515.63

Balance, June 30, 1955. \$ 8,600,640.48

Additions—Current Year:

Net Income for Year—Exhibit C \$ 575,576.49

Surplus Credits—Net 7,640.38 583,216.87

Accumulated Net Revenues, June 30, 1956. \$ 9,183,857.35

EXHIBIT C
SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
Statement of Revenue and Expenses, Year Ended June 30, 1956

Detail	Total	Wholesale Santee	Retail		
			Horry	Berkeley	Georgetown
Electric Operating Revenue:					
Sales of Electric Current:					
Residential or Domestic	\$ 636,200.61	\$	\$ 506,801.69	\$ 94,395.81	\$ 35,003.11
Rural	221,624.80	.....	218,322.95	3,301.85	.....
Commercial and Industrial	3,906,520.36	3,056,160.03	728,522.93	108,844.88	12,992.52
Public Street Lighting	22,478.43	.....	18,844.47	3,633.96	.....
Other Sales to Public Authorities	274,137.87	253,076.75	18,543.09	2,217.14	300.89
Other Electric Utilities	2,363,713.73	2,363,713.73	.....	.....	.....
Total Sales to Others	\$ 7,424,675.80	\$ 5,672,950.51	\$ 1,491,035.13	\$ 212,393.64	\$ 48,296.52
Interdivisional Sales of Electricity (Contra)	748,042.47	748,042.47	.....	.....	.....
Total Sales of Electric Current	\$ 8,172,718.27	\$ 6,420,992.98	\$ 1,491,035.13	\$ 212,393.64	\$ 48,296.52
Other Electric Revenue:					
Customers' Forfeited Discounts	\$ 29,538.31	\$	\$ 26,022.61	\$ 2,569.64	\$ 946.06
Sale of Water and Water Power	1,750.00	1,750.00	.....	.....	.....
Rent from Electric Property	29,789.80	29,785.60	4.20	.....	.....
Miscellaneous	6,018.53	.....	5,538.53	368.00	112.00
Total Other Electric Revenue	\$ 67,096.64	\$ 31,535.60	\$ 31,565.34	\$ 2,937.64	\$ 1,058.06
Total Electric Operating Revenue	\$ 8,239,814.91	\$ 6,452,528.58	\$ 1,522,600.47	\$ 215,331.28	\$ 49,354.58

Electric Operating Revenue Deductions:

Interdivisional Purchase of Power (Contra)	\$ 748,042.47	\$	\$ 638,665.34	\$ 93,588.49	\$ 15,788.64
Operating Expenses:					
Production—Exhibit D	3,403,857.04	3,402,497.29	.....	.....	1,359.75
Transmission—Exhibit E	294,997.93	294,997.93	.....	.....	.....
Distribution—Exhibit F	137,526.83	.....	111,449.43	20,459.43	5,617.97
Other—Exhibit G	453,338.24	263,248.19	155,185.76	27,118.40	7,785.89
Depreciation	1,339,704.24	1,192,668.49	112,829.75	24,070.50	10,135.50
Taxes or Sums in Lieu of Taxes	35,178.88	26,227.38	8,037.00	91.90	822.60
Generation and Sales Tax Refunds	21,096.00	21,096.00	.....	.....	.....
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Electric Operating Revenue Deductions ..	\$ 6,433,741.63	\$ 5,200,735.28	\$ 1,026,167.28	\$ 165,328.72	\$ 41,510.35
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Electric Operating Income	\$ 1,806,073.28	\$ 1,251,793.30	\$ 496,433.19	\$ 50,002.56	\$ 7,844.23

EXHIBIT C—Continued

Statement of Revenue and Expenses, Year Ended June 30, 1956

Net Electric Operating Income				\$ 1,806,073.28
Other Income:				
Rent Received from Other Physical Property	\$	8,233.73		
Revenue from Sinking Funds.....		85,494.68		
Other Interest		150.47		
Profit on Sale of Timber and Pulpwood.....		11,683.17		
				<hr/>
Total	\$	105,562.05		
Deduct:				
Reforestation	\$	25,753.22		
Depreciation on Other Physical Property		682.80		
Other Non-Operating Revenue Deductions		5,359.34	31,795.36	73,766.69
			<hr/>	<hr/>
Total				\$ 1,879,839.97
Income Deductions:				
Interest on Long-Term Debt	\$	1,270,200.70		
Amortization of Plant Held for Future Use		3,956.88		
Amortization of Debt Discount and Expense.....		24,760.44		
Other Interest Charges		5,345.46	1,304,263.48	
			<hr/>	<hr/>
Net Income for Year	\$			575,576.49

EXHIBIT D

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Operating Expenses—Production
Year Ended June 30, 1956

Electric Generation—Steam Power:

Operation:

Supervision and Engineering	\$	18,428.94
Station Labor:		
Boiler Labor	\$101,793.18	
Prime Mover and Generator Labor	35,713.01	
Electric Labor	27,888.26	
Miscellaneous	5,146.16	
	170,540.61	
Fuel		2,117,151.86
Water		19,864.06
Supplies and Expenses:		
Lubricants	\$ 429.52	
Station Supplies	10,473.44	
Station Expenses	3,282.52	14,185.48
	14,185.48	
Total Operation		\$ 2,340,170.95

Maintenance:

Supervision and Engineering	\$	5,476.20
Maintenance of Structures and Improvements		7,991.92
Maintenance of Boiler Plant Equipment:		
Fuel Storage and Handling Equipment .. \$	11,883.61	
Furnaces and Boilers	3,982.53	
Boiler Apparatus	19,244.25	
Steam Piping and Accessories	809.45	
	35,919.84	
Maintenance of Generating and Electric Equipment:		
Prime Movers and Generators	\$ 5,857.58	
Accessory Electric Equipment	7,614.07	
Miscellaneous Power Plant Equipment ...	10,184.02	23,655.67
	23,655.67	
Total Maintenance	\$	73,043.63
Total Electric Generation—Steam Power	\$	2,413,214.58

EXHIBIT D—Continued

Statement of Operating Expenses—Production

Electric Generation—Hydraulic Power:

Operation:

Supervision and Engineering\$ 37,136.96

Station Labor:

Hydraulic Power\$ 37,385.68

Prime Mover and Generator 19,952.96

Electric Labor 25,662.29

Miscellaneous 25,299.73

108,300.66

Supplies and Expenses:

Lubricants\$ 156.82

Station Supplies 831.18

Station Expenses 30,864.57

31,852.57

Total Operation \$ 177,290.19

Maintenance:

Supervision and Engineering\$ 18,069.12

Maintenance of Structures and Improvements 6,123.58

Maintenance of Reservoirs, Dams and Waterways 26,376.11

Maintenance of Generating and Electric Equipment:

Prime Movers and Generators\$ 7,058.21

Accessory Electric Equipment 7,062.01

Miscellaneous Power Plant Equipment ... 8,577.69

22,697.91

Maintenance of Roads, Railroads and Bridges 1,150.96

Total Maintenance \$ 74,417.68

Total Electric Generation—Hydraulic Power ... \$ 251,707.87

Other Production Expenses and Credits:

Purchased Power \$ 742,717.75

Interchange Power (3,877.75)

Other Expenses 94.59

Total Other Production Expenses and Credits ... \$ 738,934.59

Total Operating Expenses—Production \$ 3,403,857.04

EXHIBIT E

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Operating Expenses—Transmission
Year Ended June 30, 1956

Operation:

Supervision and Engineering	\$ 33,736.24	
Load Dispatching Labor and Expenses	32,910.20	
Operation of Station:		
Labor	\$ 54,614.10	
Supplies and Expenses	2,669.27	
		57,283.37
Overhead Lines		86,891.71
		<hr/>
Total Operation		\$210,821.52

Maintenance:

Supervision and Engineering	\$ 5,174.15	
Maintenance of Structures and Improvements	4,546.79	
Maintenance of Station Equipment	28,705.17	
Maintenance of Overhead System:		
Towers and Fixtures	\$ 59.77	
Poles and Fixtures	32,665.04	
Conductors and Devices	11,783.49	44,508.30
		<hr/>
Total Maintenance		\$ 82,934.41

Miscellaneous—Rents

	\$ 1,242.00	
		<hr/>

Total Operating Expenses—Transmission

	\$294,997.93	
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EXHIBIT F
SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
Statement of Operating Expenses—Distribution, Year Ended June 30, 1956

Detail	Total	Wholesale Santee	Retail		
			Horry	Berkeley	Georgetown
Operation:					
Operation Supervision and Engineering	\$ 22,559.62	\$.....	\$ 15,422.00	\$ 5,785.87	\$ 1,351.75
Load Dispatching Labor and Expenses	2,429.58	.....	2,429.58	.....	.....
Distribution Office Expenses:					
Distribution Maps and Records	3,762.13	.....	2,985.35	348.93	427.85
Other	3,600.90	.....	3,265.33	96.87	238.70
Operation of Stations:					
Labor	3,061.30	.....	2,801.74	117.72	141.84
Supplies and Expenses	489.96	.....	383.55	93.90	12.51
Operation of Lines:					
Overhead Lines	22,462.18	.....	16,077.46	6,168.97	215.75
Removing and Resetting Line Transformers.	2,690.06	.....	2,445.25	147.38	97.43
Services on Customers' Premises:					
Removing and Resetting Meters	18,193.19	.....	16,538.38	1,210.05	444.76
Other	336.43	.....	297.75	38.68	.....
Operation of Street Lighting and Signal Systems—Overhead System					
	59.91	.....	33.25	26.66	.....
Total Operation	\$ 79,645.26	\$.....	\$ 62,679.64	\$ 14,035.03	\$ 2,930.59

EXHIBIT F—Continued

Statement of Operating Expenses—Distribution, Year Ended June 30, 1956

Maintenance:

Maintenance Supervision and Engineering	\$ 2,001.30	\$.....	\$ 781.55	\$ 967.65	\$ 252.10
Maintenance of Structures and Improvements	320.02	.....	138.24	175.69	6.09
Maintenance of Station Equipment	10,447.22	.....	8,808.22	1,074.30	564.70
Maintenance of Storage Battery Equipment	44.34	.....	44.34	.....	.....
Maintenance of Overhead System:					
Poles, Towers and Fixtures	1,387.80	.....	1,088.17	272.88	26.75
Conductors and Devices	15,157.08	.....	13,097.87	1,272.42	786.79
Maintenance of Line Transformers and Devices	9,165.85	.....	8,006.71	445.96	713.18
Maintenance of Services	6,826.59	.....	5,231.35	1,308.17	287.07
Maintenance of Meters	3,970.47	.....	3,756.29	210.48	3.70
Maintenance of Street Lighting and Signal Systems—Overhead System	6,021.90	.....	5,588.09	433.81	.....
Total Maintenance	\$ 55,342.57	\$.....	\$ 46,540.83	\$ 6,161.36	\$ 2,640.38
Miscellaneous—Rents	\$ 2,539.00	\$.....	\$ 2,228.96	\$ 263.04	\$ 47.00
Total Operating Expenses—Distribution	\$137,526.83	\$.....	\$111,449.43	\$ 20,459.43	\$ 5,617.97

EXHIBIT G
SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
Statement of Other Operating Expenses, Year Ended June 30, 1956

Detail	Total	Santee	Horry	Berkeley	Georgetown
Customers' Accounting and Collecting Expenses:					
Supervision	\$ 1,908.56	\$ 307.59	\$ 1,435.70	\$ 127.62	\$ 37.65
Customers' Contracts and Orders	8,178.50	1,302.11	5,732.38	940.83	203.18
Meter Reading	21,037.48	4,330.50	14,587.26	1,660.44	459.28
Collecting	23,873.23	.....	17,995.45	4,972.96	904.82
Customers' Billing and Accounting	30,182.32	2,884.29	22,740.72	3,356.61	1,200.70
Miscellaneous Expenses	12.95	.....	12.50	.....	.45
Uncollectible Accounts	8,795.98	.....	7,490.36	1,061.74	243.88
Rents	2,270.00	.....	2,069.96	200.04	.....
Total	\$ 96,259.02	\$ 8,824.49	\$ 72,064.33	\$ 12,320.24	\$ 3,049.96
Sales Promotion Expenses:					
Supervision	\$ 4,360.34	\$ 4,360.34	\$	\$	\$
Advertising	595.86	345.58	250.28	.....	.....
Miscellaneous	1,735.83	1,489.96	245.87	.....	.....
Total	\$ 6,692.03	\$ 6,195.88	\$ 496.15	\$	\$

EXHIBIT G—Continued

Statement of Other Operating Expenses, Year Ended June 30, 1956

Detail	Total	Santee	Horry	Berkeley	Georgetown
Administrative and General Expenses:					
Salaries of General Officers and Executives	\$ 39,014.32	\$ 39,014.32	\$	\$	\$
Other General Office Salaries	89,460.34	89,460.34	. . . . .	. . . . .	. . . . .
Expenses of General Officers	900.22	900.22	. . . . .	. . . . .	. . . . .
Expenses of General Office Employees	665.30	665.30	. . . . .	. . . . .	. . . . .
General Office Supplies and Expenses	28,873.46	28,873.46	. . . . .	. . . . .	. . . . .
Special Services	9,054.17	9,054.17	. . . . .	. . . . .	. . . . .
Legal Services	10,000.00	10,000.00	. . . . .	. . . . .	. . . . .
Regulatory Commission Expenses	8,869.34	8,869.34	. . . . .	. . . . .	. . . . .
Insurance	59,858.72	59,858.72	. . . . .	. . . . .	. . . . .
Injuries and Damages	19,272.66	19,269.46	(44.56)	. . . . .	47.76
Employees' Welfare Expenses	3,955.44	3,322.57	632.87	. . . . .	. . . . .
Miscellaneous General Expenses	36,907.51	35,937.86	869.65	100.00	. . . . .
Maintenance of General Property:					
Structures and Improvements	11,276.85	11,267.20	. . . . .	. . . . .	9.65
Office Furniture and Equipment	1,845.68	1,721.27	124.41	. . . . .	. . . . .
Communication Equipment	16,114.54	12,924.94	2,678.82	87.35	423.43
Miscellaneous Property	427.42	427.42	. . . . .	. . . . .	. . . . .
Rents	13,891.22	13,891.22	. . . . .	. . . . .	. . . . .
Joint Expenses		(97,229.99)	78,364.09	14,610.81	4,255.09
Total	\$350,387.19	\$248,227.82	\$ 82,625.28	\$ 14,798.16	\$ 4,735.93
Total	\$453,338.24	\$263,248.19	\$155,185.76	\$ 27,118.40	\$ 7,785.89

EXHIBIT H

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

**Condensed Summary of Receipts and Disbursements
Year Ended June 30, 1956**

REVENUE FUND

SOURCE—All revenue received by the Authority and derived from the ownership or operation of the System or any part thereof.

USE—For transfer to the various funds as set forth in the bond indentures.

Summary of Activity During Year:

Balance, June 30, 1955	\$	33,539.88
Receipts:		
Revenue and Related Collections	\$	7,832,843.18
Reimbursement from Capital Improve- ments Disbursing Account	184,293.56	8,017,136.74
	<hr/>	<hr/>
Total	\$	8,050,676.62
Transfers to Other Funds:		
Bond Fund	\$	847,301.83
Contingency Fund	42,000.00	
Debt Service Reserve Fund	386,089.20	
Operating Fund	4,614,603.94	
Capital Improvement Fund	928,700.00	
Interest Fund	1,089,966.17	7,908,661.14
	<hr/>	<hr/>
Balance, June 30, 1956	\$	142,015.48

OPERATING FUND

SOURCE—Transfers from revenue fund.

USE—Reasonable and proper costs of operation and maintenance of the system.

Summary of Activity During Year:

Balance, June 30, 1955	\$	1,516.76
Receipts—Transfer from Revenue Fund		4,614,603.94
	<hr/>	<hr/>
Total	\$	4,616,120.70
Disbursements:		
Power Purchased	\$	652,030.75
Payrolls	1,170,828.10	
Other	2,781,605.17	4,604,464.02
	<hr/>	<hr/>
Balance, June 30, 1956	\$	11,656.68

EXHIBIT H—Continued

**Condensed Summary of Receipts and Disbursements
Year Ended June 30, 1956**

INTEREST FUND

SOURCE—Transfer from revenue fund (monthly transfers of 1/6 of the semi-annual interest payment next to become due).

USE—Payment of interest on bonds.

Summary of Activity During Year:

Balance, June 30, 1955 .....	\$		.03
Receipts—Transfers from Revenue Fund		1,089,966.17	
		<hr/>	
Total	\$	1,089,966.25	
Disbursements—Payment of Interest on Bonds:			
Original Bonds	\$	687,975.00	
Additional Bonds		401,991.25	1,089,966.25
		<hr/>	<hr/>
Balance, June 30, 1956			<hr/>

BOND FUND

SOURCE—Transfers from revenue fund (monthly transfers of 1/12 of the amount of bonds to be retired at the next July 1).

USE—Payment of the principal of the bonds.

Summary of Activity During Year:

Balance, June 30, 1955 .....	\$		.12
Receipts—Transfers from Revenue Fund		847,301.83	
		<hr/>	
Total	\$	847,301.95	
Disbursements:			
Payment of Interest on Contractual Obligation to Central Electric Power Co-operative, Inc.:			
Current Interest	\$180,234.45		
On Accumulated Interest..	17,067.50	197,301.95	
		<hr/>	
Retirement of Bonds:			
Original Bonds	525,000.00		
Additional Bonds	125,000.00	650,000.00	847,301.95
		<hr/>	<hr/>
Balance, June 30, 1956			<hr/>

EXHIBIT H—Continued

**Condensed Summary of Receipts and Disbursements
Year Ended June 30, 1956**

DEBT SERVICE RESERVE FUND

SOURCE—\$2,425,000.00 originally set aside to cover requirements of the interest fund and the bond fund on the original bonds for twenty-four months. Additional transfers from the revenue fund are also required by the supplemental indenture covering the issuance of the additional bonds and also the contract obligation with Central Electric Power Cooperative, Inc.

USE—To make good any differences in the interest fund or the bond fund.

Summary of Activity During Year:

Balance, June 30, 1955			\$ 2,582,285.53
Receipts:			
Transfers from Revenue Fund	\$ 386,089.20		
Reimbursement from Operating Fund for Accrued Interest Purchased on Securities ...	\$3,338.38		
Less, accrued Interest Pur- chased	2,895.30	443.08	386,532.28
			<hr/>
Balance, June 30, 1956			\$ 2,968,817.81

CONTINGENCY FUND

SOURCE—\$650,000.00 original transfer from revenue fund and additional transfers required by the various trust indentures.

USE—To make good any differences in amounts required to be set aside from the revenue fund into the debt service reserve fund and may be used for paying the cost of extraordinary maintenance, repairs or replacements of the System and to make good any deficiencies in the interest fund or the bond fund.

Summary of Activity During Year:

Balance, June 30, 1955			\$ 695,727.88
Receipts:			
Transfers from Revenue Fund	\$ 42,000.00		
Reimbursement from Operating Fund for Accrued Interest Purchased on Securities ...	\$ 756.49		
Less, Accrued Interest Pur- chased	484.37	272.12	42,272.12
			<hr/>
Balance, June 30, 1956			\$ 738,000.00

EXHIBIT H—Continued

Condensed Summary of Receipts and Disbursements
Year Ended June 30, 1956

CAPITAL IMPROVEMENT FUND

SOURCE—Transfers from revenue fund (as provided in Article V, Section 5.09 of the trust indenture).

USE—To make good any deficiencies in the debt service reserve fund and the contingency fund and thereafter for other purposes as set forth in Section 5.09 of the trust indenture.

Summary of Activity During Year:

Balance, June 30, 1955	\$	—
Receipts—Transfer from Revenue Fund		928,700.00
		<hr/>
Total	\$	928,700.00
Disbursements—Transfer to Capital Improvement Disbursing Account	\$	928,700.00
		<hr/>
Balance, June 30, 1956		—

CAPITAL IMPROVEMENT DISBURSING ACCOUNT

Summary of Activity During Year:

Balance, June 30, 1955	\$	16,557.69
Receipts:		
Transfer from Capital Improvement Fund \$	928,700.00	
Reimbursement from Operating Fund	10,000.00	938,700.00
		<hr/>
Total	\$	955,257.69
Disbursements:		
Payrolls	\$	159,828.97
Other	745,860.44	905,689.41
		<hr/>
Balance, June 30, 1956	\$	49,568.28

SCHEDULE 1
SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
Statement of Electric Plant in Service—Santee Division, June 30, 1956

Sub-Account Number	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
Intangible:				
301	Organization	\$ 155,176.82	\$	\$ 155,176.82
303	Miscellaneous	452,683.63	.....	452,683.63
Steam Production:				
311	Structures and Improvements	3,413,402.53	(963.20)	3,412,439.33
312	Boiler Plant Equipment	4,127,127.55	(702.48)	4,126,425.07
314	Turbo-Generator Units	2,874,804.87	.....	2,874,804.87
315	Accessory Electric Equipment	1,151,689.67	.....	1,151,689.67
316	Miscellaneous Power Plant Equipment	169,644.30	.....	169,644.30
319	Overheads—Steam Production	3,279,474.56	.....	3,279,474.56
Hydraulic Production:				
320	Land and Land Rights	8,268,662.85	(3,586.70)	8,265,076.15
321	Structures and Improvements	3,801,781.30	.....	3,801,781.30
322	Reservoirs, Dams and Waterways	39,536,726.77	.....	39,536,726.77
323	Water Wheels, Turbines and Generators	3,882,068.81	.....	3,882,068.81
324	Accessory Electric Equipment	341,030.57	617.22	341,647.79
325	Miscellaneous Power Plant Equipment	87,069.33	(855.22)	86,214.11
326	Roads, Railroads and Bridges	34,625.04	.....	34,625.04
Transmission Plant:				
340	Land and Land Rights	668,631.19	96,925.61	765,556.80
341	Clearing Land and Rights-of-Way	740,593.12	58,135.52	798,728.64
342	Structures and Improvements	49,692.02	(23,085.78)	26,606.24
343	Station Equipment	3,953,964.40	10,139.68	3,964,104.08

SCHEDULE 1—Continued

Statement of Electric Plant in Service—Santee Division, June 30, 1956

Sub-Account Number	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
344	Towers and Fixtures	241,935.91	.....	241,935.91
345	Poles and Fixtures	1,377,004.76	(331,591.93)	1,045,412.83
346	Overhead Conductors and Devices	1,421,672.76	319,993.80	1,741,666.56
Distribution Plant:				
350	Land and Land Rights	6,953.62	150.00	7,103.62
352	Station Equipment	31,124.22	29,167.64	60,291.86
354	Poles, Towers and Fixtures	10,666.73	.....	10,666.73
355	Overhead Conductors and Devices	18,805.48	.....	18,805.48
360	Metering Equipment—Customers	6,462.76	(60.00)	6,402.76
General Plant:				
370	Land and Land Rights	\$ 26,343.19	\$.....	\$ 26,343.19
371	Structures and Improvements	1,228,875.83	(25.00)	1,228,850.83
372	Office Furniture and Equipment	110,288.75	114.51	110,403.26
373	Transportation Equipment	248,135.60	11,034.99	259,170.59
374	Stores Equipment	4,536.81	.....	4,536.81
376	Laboratory Equipment	1,142.04	1,420.85	2,562.89
377	Tools and Work Equipment	176,049.27	2,682.58	178,731.85
378	Communication Equipment	232,474.66	14,055.53	246,530.19
379	Miscellaneous Equipment	8,878.64	.....	8,878.64
399	Unallocated Cost—General	61,000.12	.....	61,000.12
399-T	Unallocated Cost—Central System	669,300.00	.....	669,300.00
Total		\$ 82,870,500.48	\$ 183,567.62	\$ 83,054,068.10

SCHEDULE 1—Continued

SUMMARY—CURRENT YEAR INCREASE

Transferred from Electric Plant in Service—Georgetown Division	\$ 74,128.90	
Transferred from Construction Work in Progress—Santee Division	149,394.24	
Transferred from Deferred Charges—Suspense and Job Orders	2,123.15	
Transferred from Miscellaneous Credits to Surplus	21.49	
		<hr/>
Total	\$ 225,667.78	
Less:		
Retirement Work in Progress	\$ 41,770.30	
Transferred to Electric Plant in Service—Berkeley Division	329.86	42,100.16
		<hr/>
Net Increase	\$ 183,567.62	

SCHEDULE 2

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Electric Plant in Service—Horry Division, June 30, 1956

Sub-Account Number	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
Intangibles:				
301	Organization	\$ 8,758.95	\$	\$ 8,758.95
Transmission Plant:				
340	Land and Land Rights	96,105.41	.....	96,105.41
341	Clearing Land and Rights-of-Way	87,942.48	.....	87,942.48
343	Station Equipment	83,085.77	(83,085.77)	.....
344	Towers and Fixtures	11,379.13	.....	11,379.13
345	Poles and Fixtures	240,400.54	2,142.76	242,543.30
346	Overhead Conductors and Devices	284,698.61	142.03	284,840.64
Distribution Plant:				
350	Land and Land Rights	15,177.22	5,305.16	20,482.38
351	Structures and Improvements	3,906.65	.....	3,906.65
352	Station Equipment	327,561.79	164,807.15	492,368.94
354	Poles, Towers, and Fixtures	553,798.09	205,481.83	759,279.92
355	Overhead Conductors and Devices	533,637.65	158,784.91	692,422.56
358	Line Transformers	669,580.52	126,919.99	796,500.51
359	Services	244,379.84	48,435.76	292,815.60
360	Meters	224,813.62	44,639.18	269,452.80
363	Street Lighting and Signal Systems	110,296.23	29,457.62	139,753.85

SCHEDULE 2—Continued
Statement of Electric Plant in Service—Horry Division, June 30, 1956

General Plant:			
370	Land and Land Rights	2.00	2.00
371	Structures and Improvements	17,353.01	17,353.01
372	Office Furniture and Equipment	17,378.26	17,378.26
373	Transportation Equipment	21,728.80	21,728.80
374	Stores Equipment	540.35	540.35
376	Laboratory Equipment	2,871.97	(382.60)
377	Tools and Work Equipment	3,980.47	3,980.47
378	Communication Equipment	612.91	612.91
379	Miscellaneous Equipment	1,717.54	1,717.54
399	Unallocated Cost from Work in Progress	836.97	(35,000.00)
	Total	\$ 3,562,544.78	\$ 667,648.02

SUMMARY—CURRENT YEAR INCREASE

Transferred from Electric Plant in Service—Georgetown Division	\$201,301.48	
Transferred from Construction Work in Progress—Horry Division	502,639.83	
Transferred from Construction Work in Progress—Berkeley Division	30,000.00	
Transferred from Construction Work in Progress—Georgetown Division	1,900.53	
Total	\$735,841.84	
Less::		
Retirement Work in Progress—Horry Division	\$ 61,122.95	
Transferred to Electric Plant in Service—Berkeley Division	6,954.66	
Transferred to Operating Expense—Horry Division	116.21	68,193.82
Net Increase	\$667,648.02	

SCHEDULE 3

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Electric Plant in Service—Berkeley Division, June 30, 1956

Number Sub-Account	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
Transmission Plant:				
340	Land and Land Rights	\$ 3,367.19	\$	\$ 3,367.19
341	Clearing Land and Rights-of-Way	73.44	.....	73.44
345	Poles and Fixtures	10,579.62	.....	10,579.62
346	Overhead Conductors and Devices	11,753.13	.....	11,753.13
Distribution Plant:				
350	Land and Land Rights	10,470.91	.....	10,470.91
351	Structures and Improvements	25.00	.....	25.00
352	Station Equipment	120,127.22	7,166.23	127,293.45
354	Poles, Towers, and Fixtures	106,926.67	4,523.92	111,450.59
355	Overhead Conductors and Devices	86,634.28	11,438.29	98,072.57
358	Line Transformers	137,521.49	5,146.11	142,667.60
359	Services	25,553.93	2,884.42	28,438.35
360	Meters	188,722.74	975.98	189,698.72
363	Street Lighting and Signal Systems	16,793.81	579.73	17,373.54
General Plant:				
399	Unallocated Cost from Work in Progress	68.96	.....	68.96
	Total	\$ 718,618.39	\$ 32,714.68	\$ 751,333.07

SCHEDULE 3—Continued

Statement of Electric Plant in Service—Berkeley Division, June 30, 1956

SUMMARY—CURRENT YEAR INCREASE

Transferred from Electric Plant in Service—Santee Division	\$ 329.86	
Transferred from Electric Plant in Service—Horry Division	6,954.66	
Transferred from Electric Plant in Service—Georgetown Division	3,438.60	
Transferred from Construction Work in Progress—Berkeley Division	24,789.87	
Transferred from Reserve for Depreciation—Berkeley Division	158.06	
Total	\$ 35,671.05	
Less:		
Retirement Work in Progress—Berkeley Division	\$ 2,062.33	
Transferred to Construction Work in Progress—Santee Division	894.04	2,956.37
Net Increase	\$ 32,714.68	

SCHEDULE 4

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Electric Plant in Service—Georgetown Division, June 30, 1956

Sub-Account Number	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
Transmission Plant:				
340	Land and Land Rights	\$ 4,691.09	\$ (4,691.09)	\$
341	Clearing Land and Rights-of-Way	1,877.61	(1,877.61)	.....
345	Poles and Fixtures	12,546.64	(12,546.64)	.....
346	Overhead Conductors and Devices	22,857.98	(22,857.98)	.....
Distribution Plant:				
350	Land and Land Rights	6,578.21	(6,578.21)	.....
352	Station Equipment	68,165.57	(68,165.57)	.....
354	Poles, Towers, and Fixtures	68,645.90	(68,645.90)	.....
355	Overhead Conductors and Devices	75,218.68	(75,218.68)	.....
358	Line Transformers	70,996.18	(70,996.18)	.....
359	Services	22,687.66	(22,687.66)	.....
360	Meters	21,393.09	(21,393.09)	.....
General Plant:				
370	Land and Land Rights	8,533.04	(8,533.04)	.....
371	Structures and Improvements	47,660.92	(47,660.92)	.....
372	Office Furniture and Equipment	1,430.02	(1,430.02)	.....
378	Communication Equipment	1,712.89	(1,712.89)	.....
	Total	\$ 434,995.48	\$ (434,995.48)	\$

SCHEDULE 4—Continued

Statement of Electric Plant in Service—Georgetown Division, June 30, 1956

SUMMARY—CURRENT YEAR DECREASE

Transferred from Construction Work in Progress—Georgetown Division	\$ 1,207.47	
Less:		
Retirement Work in Progress—Georgetown Division	\$157,333.97	
Transferred to Electric Plant in Service—Santee Division	74,128.90	
Transferred to Electric Plant in Service—Horry Division	201,301.48	
Transferred to Electric Plant in Service—Berkeley Division	3,438.60	436,202.95
Net Decrease		\$(434,995.48)

SCHEDULE 5

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Electric Plant in Service—Central Electric Power Cooperative, Inc., June 30, 1956

Sub-Account Number	Detail	Balance June 30, 1955	Current Year Increase—Net	Balance June 30, 1956
342	Structures and improvements	\$ 159.07	\$	\$ 159.07
343	Station Equipment	(630.05)	.....	(630.05)
345	Poles and Fixtures	7,632.07	1,648.51	9,280.58
360	Meters .....	.....	758.56	758.56
399	Unallocated Cost from Work in Progress— Central A-B System	\$ 8,883,083.25	\$ 96,892.93	\$ 8,979,976.18
	Total	\$ 8,890,244.34	\$ 99,300.00	\$ 8,989,544.34

SUMMARY—CURRENT YEAR INCREASE

Transferred from contract obligation—Central Electric Power Cooperative	\$ 96,892.93
Transferred from Construction work in Progress—Central Elec. Power Coop. Division ..	1,372.47
Transferred from Construction Work in Progress—Santee Division	1,374.50
Total	\$ 99,639.90
Less:	
Retirement Work in Progress	339.90
Net Increase	\$ 99,300.00

SCHEDULE 6

Statement of Reserve for Depreciation, Year Ended June 30, 1956

Detail	Total	Electric Plant in Service					Total	Other Physical Property	Plant Held For Future Use
		Santee	Horry	Berkeley	Georgetown	Central System			
Balance, June 30, 1955	\$ 6,696,340.68	\$ 5,740,418.19	\$ 683,712.40	\$ 104,240.23	\$ 59,185.37	\$ 92,474.61	\$ 6,680,030.80	\$ 1,848.22	\$ 14,461.66
Current Additions Charged to:									
Depreciation Expense	1,344,343.92	1,006,544.30	112,829.75	24,070.50	10,135.50	186,124.19	1,339,704.24	682.80	3,956.88
Transportation Clearing Account	22,281.12	22,281.12					22,281.12		
Total	\$ 1,366,625.04	\$ 1,028,825.42	\$ 112,829.75	\$ 24,070.50	\$ 10,135.50	\$ 186,124.19	\$ 1,361,985.36	\$ 682.80	\$ 3,956.88
Transfers	\$	\$ 7,129.90	\$ 29,824.59	\$ 508.37	\$ (37,462.86)	\$	\$	\$	\$
Total	\$ 8,062,965.72	\$ 6,776,373.51	\$ 826,366.74	\$ 128,819.10	\$ 31,858.01	\$ 278,598.80	\$ 8,042,016.16	\$ 2,531.02	\$ 18,418.54
Retirements Credited to:									
Retirement Work in Progress	\$ 44,684.88	\$ 20,938.70	\$ 11,600.74	\$ 948.32	\$ 11,197.12	\$	\$ 44,684.88	\$	\$
Electric Plant in Service	(158.06)			(158.06)			(158.06)		
Miscellaneous Credits to Surplus	20,660.89				20,660.89		20,660.89		
Total	\$ 65,187.71	\$ 20,938.70	\$ 11,600.74	\$ 790.26	\$ 31,858.01	\$	\$ 65,187.71	\$	\$
Balance, June 30, 1956	\$ 7,997,778.01	\$ 6,755,434.81	\$ 814,766.00	\$ 128,028.84	\$	\$ 278,598.80	\$ 7,976,828.45	\$ 2,531.02	\$ 18,418.54

SCHEDULE 7

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Construction Work in Progress, June 30, 1956

Detail	Balance June 30, 1955	Current Year Charges	Transferred to		Balance June 30, 1956
			Miscellaneous Accounts	Electric Plant In Service	
Santee Division	\$ 59,758.83	\$221,788.84	\$ 1,374.50	\$149,394.24	\$130,778.93
Horry Division	146,212.74	429,975.65	(3,200.41)	502,639.83	76,748.97
Berkeley Division	476.69	61,167.05	29,428.49	24,789.87	7,425.38
Georgetown Division	463.14	5,618.35	4,874.02	1,207.47	.....
Central Electric Power Cooperative Divisions .....	.....	2,321.21	.....	1,372.47	948.74
Total	\$206,911.40	\$720,871.10	\$ 32,476.60	\$679,403.88	\$215,902.02

SUMMARY OF AMOUNTS TRANSFERRED TO MISCELLANEOUS ACCOUNTS

Detail	Division				
	Santee	Horry	Berkeley	Georgetown	Total
Electric Plant in Service	\$ 1,374.50	\$	\$ 30,000.00	\$ 1,900.53	\$ 33,275.03
Retirement Work in Progress .....	.....	(3,203.23)	(571.51)	.....	(3,774.74)
Reclassification Between Work Orders .....	.....	2.82	.....	2,973.49	2,976.31
Total	\$ 1,374.50	\$ (3,200.41)	\$ 29,428.49	\$ 4,874.02	\$ 32,476.60

ANALYSIS OF CURRENT YEAR CHARGES

Work Orders Over \$10,000.00:

Santee Division:

Land damage claims and land and flowage rights	\$108,975.84
Automotive Equipment	12,777.89

SCHEDULE 7—Continued

Statement of Construction Work in Progress, June 30, 1956

Additional capacity at Myrtle Beach 115 KV substation	20,847.73
Russellville-St. Stephens 12 KV line, Russellville substation and service to Albany Felt Company	40,101.07
Planting Pine Seedlings	14,242.36
Horry Division:	
Line Transformers	\$ 79,735.56
Services	33,723.15
Poles, Towers and Fixtures	61,101.99
Overhead Conductor and Devices	77,876.06
Myrtle Beach Air Base Substation and Feeder Line	10,142.59
2.4 KV Circuit from Oil Plant to Washington Park	14,781.82
Improvements to Oil Plant Substation	18,463.11
Increase Capacity of Oil Plant Substation	19,012.55
Increase Capacity of Crescent Beach Substation	18,370.52
Additions to Washington Park Substation	23,381.54
Berkeley Division::	
Meters—Not Installed	31,790.19
Other Work Orders:	
Santee Division	24,843.95
Horry Division	73,386.76
Berkeley Division	29,376.86
Georgetown Division	5,618.35
Central Electric Power Cooperative Divisions.....	2,321.21
Total	\$720,871.10

SCHEDULE 8

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Electric Plant Held for Future Use, June 30, 1956

Sub-Account Number	Detail	Amount
Transmission Plant:		
340	Land and Land Rights	\$ 21,831.40
341	Clearing Land and Rights-of-Way	246.96
343	Station Equipment	25,518.85
344	Towers and Fixtures	30,477.66
345	Poles and Fixtures	59,079.10
346	Overhead Conductor and Devices	28,092.20
General Plant:		
370	Land and Land Rights	61,318.40
399	Unallocated Retirements	(53.33)
Total		\$226,511.24

NOTE: There were no changes during the year ended June 30, 1956.

SCHEDULE 9

Statement of Cash and Temporary Investments, June 30, 1956

SEGREGATED FUNDS (Use Restricted to Special Purposes)

Cash and Securities Held by Trustee for Special Purposes—

See Trust Indentures for Restrictions:

U. S. Treasury Bonds:

2¼% Due June 15, 1962-59	\$ 154,000.00	
2½% Due June 15, 1972-67	2,230,000.00	
2½% Due December 15, 1968-63	176,000.00	
2¼% Due September 15, 1959-56	700,000.00	
2¾% Due September 15, 1961	347,000.00	
2½% Due December 15, 1958	95,000.00	
Total		\$ 3,702,000.00
Less, Discount	5,170.47	\$ 3,696,829.53

Cash

9,988.28

Total

\$ 3,706,817.81

Fund Equities:

Debt Service Reserve Fund	\$ 2,968,817.81	
Contingency Fund	738,000.00	

Total

\$ 3,706,817.81

OTHER ACCOUNTS

Cash on Deposit and Working Funds:

Working Funds	\$ 5,849.00	
The South Carolina National Bank, Charleston, S. C.:		
Operating Fund	\$ 11,656.68	
Construction Disbursing Account	516.29	
Capital Improvements Disbursing Fund ..	49,568.28	61,741.25

Trust Department—The South Carolina
National Bank, Charleston, S. C.:

Revenue Fund

\$ 142,015.48

Customers' Deposit Accounts:

The South Carolina National Bank,		
Charleston, S. C.	\$ 2,256.38	
First National Bank, Myrtle Beach, S. C.	7,574.39	
Peoples National Bank, Conway, S. C. ...	4,329.67	
Bank of Berkeley, Moncks Corner, S. C. .	636.38	14,796.82

Total Cash

\$ 224,402.55

Securities Owned—Customers' Deposit Accounts:

\$20,000.00 U. S. Treasury Bonds, 2¾%, Due September 15,
1961—at Cost

\$ 20,111.95

Total

\$ 244,514.50

SCHEDULE 10

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Other Physical Property, June 30, 1956

Detail	Amount
Land, Land Rights and Buildings:	
Former U. S. Army Depot and Adjacent Land	\$ 31,350.00
North Charleston Houses	14,665.43
Berkeley Manor	6,828.25
Others	14,773.74
Improvements to Subdivisions:	
Roads, etc.	28,239.51
Dams, Spillways, Church Branch Subdivision	2,252.34
Rehabilitation, Tail Canal Dock	22,094.22
Transformer, 1500 KVA, Westinghouse	22,441.00
Reforestation Expenditures	34,818.44
Total	\$ 177,462.93

NOTE: There were no changes during the year ended June 30, 1956.

SCHEDULE 11

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Note and Accounts Receivable, June 30, 1956

Note Receivable:

George W. Peeples, 4½%, Payable \$50.00 Per Month, Secured
by Mortgage on Real Estate Located in Charleston County \$ 3,099.03

Accounts Receivable:

Due for Electric Sales:

Santee Division:

Aerovox Corporation	\$ 1,755.98	
Albany Felt Company	1,596.35	
Town of Bamberg	6,406.40	
Santee River Wool Combing Company	4,227.00	
Carolina Cement and Lime Company	450.74	
Carolina Giant Cement Company	18,952.98	
Carolina Power and Light Company	40,488.00	
Central Electric Power Cooperative	138,107.61	
City of Georgetown	19,135.20	
International Paper Company	20,107.93	
Pittsburgh Metallurgical Company	156,896.64	
Russellville Lumber Company	4,110.51	
S. C. Electric Cooperative	6,794.47	
S. C. Electric and Gas Company	8,193.75	
U. S. Army Air Base	10,050.10	
U. S. Navy	30,275.86	
Virginia-Carolina Chemical Company	56,140.52	
Wellman Combing Company	6,497.05	\$530,187.09

Horry Division 119,876.74

Berkeley Division 5,868.87

Total \$655,932.70

Rents Receivable 11,649.92

Sundry Accounts—Santee Division 12,453.36

Sundry Accounts—Horry Division 143.91

Meter Deposits 15.00

Total \$680,194.89

SCHEDULE 12

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Materials and Supplies Inventories, June 30, 1956

Detail	Amount
Central Warehouse	\$199,722.32
Horry Warehouse	125,376.88
Central Garage	21,829.03
Deferred Clearing	1,030.95
Steam Plant Fuel	180,371.62
Deposits on Drums and Reels	5,808.44
Total	<u>\$534,139.24</u>

SCHEDULE 13

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Insurance in Force, June 30, 1956

Santee-Cooper Powerhouse, Locks, Equipment and Wing Walls:

So-Called All Risk Marine Coverage,
\$500.00 Deductible, Each Policy
100% Co-insurance Clause on Machinery,
Equipment and Appurtenances:

Santee-Cooper Dam and Navigation Locks	\$ 725,500.00
Santee-Cooper Spillway Dam	420,300.00

Total	\$ 1,145,800.00
-------------	-----------------

Speeder Cranes, Trucks with Skidders and Bulldozers:

Direct Physical Loss or Damage, \$50.00 Deductible
on 15 cranes, 5 Skidders, 14 Tractors and 4 Hyster
Cranes

\$ 83,500.00

Boats:

Marine Coverage on Boats Owned and Operated by
the Authority, \$50.00 Deductible, Except in the
Event of Total and/or Constructive Total Loss..

\$ 7,000.00

Surveying, Testing and Miscellaneous Equipment:

Inland Floater Coverage on Transits and Other Surveying
Equipment, Testing Equipment for Transmission Lines,
Portable Air Compressors, Diving Equipment, Outboard
Motors, Powder and Liquid Spray Equipment, Hot Line
Repair Equipment and Radio Sets for Vehicles

\$ 50,244.00

Buildings and Equipment:

Fire and Extended Coverage on all Property Owned
and/or Operated by the Authority in South Carolina

\$ 17,524,000.00

General Liability:

Comprehensive General Liability on Entire Premises
Owned and Operated by the Authority (Bodily
Injury and Property Damage)

\$100M/\$300M/\$25M

Automobiles and Trucks:

Comprehensive Fire and Theft Coverage, Fleet
Policy

\$ 141,430.00

Comprehensive Liability (Bodily Injury and Property
Damage)

\$100M/\$300M/\$25M

SCHEDULE 13—Continued

Statement of Insurance in Force, June 30, 1956

Boilers and Machinery:

Blanket Liability Policy Covering Machinery and Boilers Operated by the Authority	\$	* 2,000,000.00
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Surety Bonds, Etc.:

Employees' Blanket Bond	\$	150,000.00
Money and Securities		6,000.00
Depositors Forgery Bond		30,000.00
Directors—7 @ \$10,000.00 each		70,000.00
Authority Guides—6 @ \$2,000.00		12,000.00

Workmen's Compensation: **

* Also, coverage for an amount equal to the difference between the Standard Graded Premium and the Maximum Premium calculated in accordance with the Retrospective Rating Plan applying under the boiler and machinery direct damage policy issued by Maryland Casualty Company.

** Carried with South Carolina Industrial Commission.

SCHEDULE 14

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Preliminary Survey and Investigation Charges
June 30, 1956

Detail	Amount
Bluff Subdivision	\$ 448.69
Jamestown Substation	140.36
Preliminary Survey for Line to Bushy Park	2,734.70
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Total	\$3,323.75

SCHEDULE 15

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY

Statement of Deferred Charges, June 30, 1956

Detail	Reference	Amount
Deferred Salaries	146.2	\$ 3,873.58
Shannard vs. Authority	2099	1,245.34
Grace vs. Authority	2101	6,050.70
Sharlow and Broughton vs. Authority	2140	15.99
Colonial Street Claims	2144	893.66
George Buist vs. Authority	2148	532.42
Claims on Congaree and Wateree Rivers in Sumter County	2152	1,304.37
DuPont vs. Authority	2176	1,703.85
Porcher Claim	2187	259.05
Metering for Central System	2200	643.69
Work in Connection with Rearrangement of Lines at Myrtle Beach Air Base	2210	16,095.39
Phelps vs. Authority	2236	1,665.53
Ramsey, et al.—Lower Santee	2237	678.17
Unitization of Central Records	2271	1,032.14
Sale of Land	2281	7,680.42
Rearrange Distribution Circuits for Attachments of Horry Telephone Cooperative	2417	3,557.57
Sumter Builders Metering and Connecting Tempor- ary Substation at Myrtle Beach	2420	496.98
U. S. vs. Authority	2422	649.91
General Costs Applicable to all Claims on Lower Santee	2425	1,182.30
Install Pole for Santee River Hardwood Co.	2433	16.81
Improvements at Employees Recreation Site	2438	999.34
National Forest Service	2439	235.11
Extension of Secondary to Myrtle Beach Lumber Company	2440	422.10
Damage to Induced Draft Fans—Unit No. 2	2441	3,360.94
Santee River Hardwood	2442	67.70
Relocate Pole for S. C. Highway Department	2445	82.48
Grounding Barnwell—Bamberg Line (Central)	2446	267.78
Grounding Barnwell—Fairfax Line (Central)	2447	653.93
Set 35' Pole for Helen Mates	2448	3.49
Set Poles for Conway Drive-In Theater	2449	105.26
Reclearing Central Lines	2450	3,221.44
Total		\$ 59,002.44

SCHEDULE 16

Statement of Salaries and Wages Paid, Year Ended June 30, 1956

Name	Title	Amount
Board of Directors:		
Hammond, James H.	Chairman	\$ 1,200.00
McGee, Elias T.	Vice-Chairman	1,076.66
Lafaye, Robert S.	Director	1,200.00
Williams, J. Russell, Jr.	Director	1,200.00
Skipper, E. Lee	Director	1,200.00
Busbee, Carl L.	Director	1,200.00
Henry, R. Carter	Director	1,200.00
Abrams, Marvin E.	Director	123.34
Employees Paid Over \$6,000.00 Each:		
Jefferies, R. M.	General Manager	\$ 20,000.00
Day, R. E.	Chief Engineer	12,000.00
Tiencken, J. H.	Comptroller	9,250.00
Watson, T. M.	Operating Superintendent	9,250.00
Thomason, J. B.	Planning Superintendent	9,250.00
Mooney, J. T.	Production Superintendent	9,250.00
Sheppard, J. L.	Meter and Relay Engineer	8,400.00
Parrott, W. G., Jr.	Senior Electrical Engineer	8,400.00
Heyward, E. T.	Chief, Health and Sanitation	8,350.00
Zeigler, John A.	Secretary and Treasurer	8,000.00
Cyrus, H. N.	Planning Engineer	7,800.00
Walsh, W. Carl	Maintenance Supervisor	7,800.00
Chaplin, H. L., Jr.	Transmission and Communication Engineer	7,400.00
Simpson, W. D.	Legal Counsel	7,200.00

SCHEDULE 16—Continued

Statement of Salaries and Wages Paid, Year Ended June 30, 1956

Name	Title	Amount
Wolfe, W. C.	Assistant Comptroller	7,200.00
LeCroy, W. E.	Chief Dispatcher	6,700.00
Harrell, L. H.	Hydro Plant Supervisor	6,500.00
Scott, W. W., Jr.	Steam Plant Supervisor	6,453.57
Bishop, J. C.	Chief of Surveys	6,450.00
Westbrook, T. H.	District Foreman	6,431.48
Duckett, J. T., Jr.	District Superintendent	6,200.00
Wentzky, J. H.	District Foreman	6,026.85
Speer, G. W., Jr.	Dispatcher	6,020.76
OTHER SALARIES AND WAGES PAID		1,081,678.15
Total		\$ 1,280,410.81

NOTE: There were no general increases in salaries during the year.

SOUTH CAROLINA STATE LIBRARY



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Entrance to Hydro-Electric Plant

A Few of the High Lights of Past Fiscal Year

SANTEE-COOPER CONTRIBUTED \$623,143.00
TO WEALTH OF STATE PAST FISCAL YEAR.

SANTEE-COOPER ADDED \$590,881.00 TO CASH
AND CASH RESERVES LAST YEAR.

STATE'S EQUITY IN SANTEE-COOPER
INCREASES TO \$43,622,121.00.

POWER MADE AVAILABLE TO ALBANY FELT
COMPANY AT ST. STEPHEN.

SANTEE-COOPER SAVED ITS 13,885 RETAIL
CUSTOMERS \$2,400,418.17 LAST YEAR.

POWER SALES CROSS BILLION KWH MARK
FIRST TIME 14 YEARS OPERATION.

SANTEE-COOPER WATERS BEGIN TO FLOW
INTO NEW BUSHY PARK RESERVOIR.

