

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

HARWELL-BEACH/HUTH
MARCH 26, 2019

CLERK OF THE HOUSE

THE REVENUE POLICY SUBCOMMITTEE PROPOSES THE
FOLLOWING AMENDMENT NO. TO H. 4287
(COUNCIL\AHB\4287C011.BH.AHB19):

REFERENCE IS TO THE RESOLUTION AS INTRODUCED.

**AMEND THE JOINT RESOLUTION, AS AND IF
AMENDED, BY STRIKING ALL AFTER THE
ENACTING WORDS AND INSERTING:**

**/SECTION 1. THE PURPOSE OF THIS ACT IS TO
PROTECT THE INDIVIDUAL AND CORPORATE
RATEPAYERS OF SANTEE COOPER AND THE
ELECTRIC COOPERATIVES OF THIS STATE WHO
RECEIVE ELECTRIC POWER FROM SANTEE
COOPER FROM RISING ELECTRIC POWER RATES
DUE TO GROSSLY EXCESSIVE DEBT AND COSTS**

INCURRED IN THE CONSTRUCTION OF THE TWO ABANDONED NUCLEAR REACTORS AT JENKINSVILLE, SOUTH CAROLINA.

SECTION 2. THE COMMITTEE, CREATED BY PARAGRAPH 117.162, SECTION IB OF ACT 264 OF 2018, THROUGH THE FEBRUARY 27, 2019 VOTE, IS AUTHORIZED TO RECEIVE THE INFORMATION NEEDED TO EVALUATE THE CURRENT BIDS AND RECEIVE A BEST AND FINAL WRITTEN CONTRACTUAL OFFER TO PURCHASE ALL ASSETS AND ASSUME OR SATISFY ALL LIABILITIES OF SANTEE COOPER UPON THOSE TERMS AND CONDITIONS AS THE COMMITTEE CONSIDERS IN THE BEST INTEREST OF THE STATE AND ITS TAXPAYERS AND RATEPAYERS, AFTER CONSIDERING ALL OTHER OFFERS. IT IS RECOMMENDED THAT ANY OFFER SUBMITTED BY THE COMMITTEE TO THE GENERAL ASSEMBLY FOR APPROVAL MUST INCLUDE, BUT IS NOT LIMITED TO, THE FOLLOWING TERMS AND CONDITIONS:

(1) THE FINAL ACCEPTANCE AND APPROVAL OF THE CONTRACT OF SALE IS CONTINGENT UPON ITS ACCEPTANCE AND APPROVAL BY THE GENERAL ASSEMBLY IN THE MANNER REQUIRED BY THIS ACT.

(2) THE OBLIGATIONS AND COVENANTS MADE BY THE STATE OF SOUTH CAROLINA IN SECTION 58-31-360 OF THE 1976 CODE IN REGARD TO THE BONDED AND OTHER INDEBTEDNESS OF SANTEE COOPER MUST BE COMPLIED WITH INCLUDING COMPLETE DEFEASANCE OF ALL BONDS AND OTHER INDEBTEDNESS OF SANTEE COOPER.

(3) THE PURCHASER MUST COVENANT AND AGREE TO PROVIDE MEANINGFUL RATE RELIEF IN THE FORM OF REDUCED SHORT-TERM AND LONG-TERM RATES FOR ALL CUSTOMER CLASSES.

(4) THE PURCHASER MUST COVENANT AND AGREE TO PROVIDE LONG-TERM RESOURCE PLANNING AND A DIVERSIFIED GENERATION PORTFOLIO TO PREVENT LONG-TERM RATE FLUCTUATIONS.

(5) THE PURCHASER MUST MAKE SUITABLE AND REASONABLE FINANCIAL AND OTHER PROTECTIONS FOR SANTEE COOPER EMPLOYEES AND RETIREES.

(6) THE PURCHASER MUST SET FORTH A LOCATION FOR THE HEADQUARTERS OF SANTEE COOPER POST-ACQUISITION.

(7) THE PURCHASER MUST AGREE TO COMPLY WITH ALL APPLICABLE FEDERAL AND STATE ENVIRONMENTAL PROTECTIONS REGARDING LAKES MARION AND MOULTRIE, THEIR RIVERS AND TRIBUTARIES, AND OTHER RECREATIONAL ASSETS OF SANTEE COOPER, INCLUDING A COVENANT TO MAINTAIN THE PRESENT STATUS QUO REGARDING THESE LAKES AND OTHER RESOURCES AND THE QUALITY OF AND ACCESS TO THEM.

(8) THE PURCHASER MUST AGREE TO PARTNER WITH THE STATE FOR FUTURE ECONOMIC DEVELOPMENT PROJECTS.

(9) THE COMMITTEE CAN INCLUDE ANY OR ALL OTHER TERMS AND CONDITIONS AS AUTHORIZED BY PARAGRAPH 117.162, SECTION IB OF ACT 264 OF 2018 THAT WOULD BE IN THE BEST INTEREST OF SANTEE COOPER RATEPAYERS AND SOUTH CAROLINA TAXPAYERS.

SECTION 3. THE COMMITTEE SHALL HIRE APPROPRIATE LEGAL AND TECHNICAL EXPERTS TO NEGOTIATE ON BEHALF OF THE COMMITTEE WITH THE QUALIFIED BIDDERS FOR THE PURPOSES OF RECEIVING A BEST AND FINAL OFFER. THE CO-CHAIRMEN OF THE COMMITTEE SHALL SUBMIT TO THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE AND CHAIRMAN OF THE SENATE FINANCE COMMITTEE AN ESTIMATE OF THE EXPENSES ASSOCIATED WITH HIRING EXPERTS NECESSARY TO CARRY OUT THE OBLIGATIONS UNDER THIS ACT. THE EXPERTS SHALL REPORT TO AND RECEIVE GUIDANCE FROM THE COMMITTEE, WHICH IS CHARGED WITH REPRESENTING THE HOUSE, SENATE, AND THE GOVERNOR'S OFFICE IN THE NEGOTIATIONS.

SECTION 4. (A) WHEN THE COMMITTEE RECEIVES AND APPROVES A SIGNED OFFER IN ACCORDANCE WITH THE TERMS SET FORTH IN SECTION 2 HEREIN AND THE COMMITTEE CONSIDERS TO BE THE MOST ADVANTAGEOUS FOR AND IN THE BEST INTEREST OF THIS STATE AND ITS CITIZENS AND RATEPAYERS, THE CO-CHAIRMEN OF THE COMMITTEE SHALL NOTIFY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE OF THIS DECISION IN WRITING. THE CO-CHAIRMEN OF THE COMMITTEE ALSO SHALL ATTACH TO THIS WRITTEN NOTIFICATION A COPY OF THE APPLICABLE CONTRACT OF SALE EXECUTED BY THE PURCHASER AND ALL SUPPORTING DOCUMENTS. IF THE GENERAL ASSEMBLY IS IN REGULAR SESSION WHEN THIS NOTIFICATION IS PROVIDED, IT MUST REMAIN IN SESSION UNTIL A DECISION TO APPROVE OR DISAPPROVE THE CONTRACT OF SALE IS MADE IN THE MANNER REQUIRED BY THIS ACT. IF THE WRITTEN NOTIFICATION IS PROVIDED WHILE THE GENERAL ASSEMBLY IS NOT IN REGULAR SESSION, THE GENERAL ASSEMBLY SHALL RETURN IN STATEWIDE SESSION AT THE CALL OF THE GOVERNOR, BUT NOT EARLIER THAN THIRTY DAYS AFTER RECEIPT OF THE WRITTEN NOTIFICATION, TO APPROVE OR DISAPPROVE THE SALE, AND THE GENERAL ASSEMBLY MUST REMAIN IN STATEWIDE SESSION UNTIL A DECISION TO APPROVE OR DISAPPROVE IS MADE.

(B) THE SPEAKER OF THE HOUSE AND THE PRESIDENT OF THE SENATE SHALL TRANSMIT THE WRITTEN NOTIFICATION, TOGETHER WITH THE CONTRACT OF SALE EXECUTED BY THE PURCHASER AND ALL SUPPORTING DOCUMENTS TO THE DESK OF THEIR RESPECTIVE CHAMBER TO BE PLACED ON THE CALENDAR FOR APPROVAL OR DISAPPROVAL BY THAT CHAMBER. THE QUESTION BEFORE EACH HOUSE SHALL THEN BE THE APPROVAL OR DISAPPROVAL OF THE CONTRACT OF SALE WHICH MUST BE DECIDED BY A VOTE OF "YEAS" OR "NAYS". IF THE CONTRACT OF SALE IS APPROVED BY BOTH HOUSES, THE GOVERNOR AND OTHER APPROPRIATE OFFICIALS OF THIS STATE THEN SHALL SIGN THE CONTRACT OF SALE ON BEHALF OF THE STATE OF SOUTH CAROLINA AS

THE SELLER AND THEN AT THE CLOSING OF THE SALE, EXECUTE THE DEEDS AND OTHER NECESSARY DOCUMENTS TO EFFECTUATE THE SALE. THE PROCEEDS OF THE SALE MUST THEN BE DEPOSITED IN THE STATE GENERAL FUND PENDING FURTHER ACTION BY THE GENERAL ASSEMBLY.

SECTION 5. THE PROVISIONS OF THE CONSOLIDATED PROCUREMENT CODE IN CHAPTER 35, TITLE 11 OF THE 1976 CODE, THE PROVISIONS OF CHAPTER 31, TITLE 58 RELATING TO THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY, AND ANY OTHER PROVISIONS OF THE GENERAL LAW OF THIS STATE IN CONFLICT WITH THE PROVISIONS OF THIS ACT, ARE HEREBY SUSPENDED FOR PURPOSES OF THIS SALE ONLY, IT BEING THE INTENT OF THE GENERAL ASSEMBLY THAT THIS ACT, TO THE EXTENT OF ITS PROVISIONS, IS THE SOLE GOVERNING INSTRUMENT REGARDING THIS SALE AND THAT A VOTE OF THE GENERAL ASSEMBLY IN FAVOR OF APPROVING THE SALE IN SECTION (4)(B) OF THIS ACT IS SUFFICIENT TO AUTHORIZE THE GOVERNOR TO EXECUTE THE SALE.

SECTION 6. (A) THE COMMITTEE SHALL CONCURRENTLY REVIEW ALL OF THE NON-FULL ACQUISITION PROPOSALS, REFORM PROPOSALS, AND MANAGEMENT PROPOSALS (COLLECTIVELY "PROPOSALS") RECEIVED BY THE COMMITTEE. THE COMMITTEE RECEIVED EIGHT SUCH PROPOSALS THAT INCLUDED PARTIAL ACQUISITION, MANAGEMENT AND/OR OPERATIONS AGREEMENTS, REQUIREMENT OR OTHER POWER SALES CONTRACTS, AND ANY SUCH HYBRID COMBINATIONS.

(B) THE COMMITTEE IS AUTHORIZED TO HIRE APPROPRIATE LEGAL AND TECHNICAL EXPERTS TO NEGOTIATE WITH THE EIGHT ENTITIES SUBMITTING A PROPOSAL IN ORDER TO OBTAIN A BEST, FINAL, AND BINDING NON-SALE PROPOSAL. THE EXPERTS SHALL REPORT TO AND RECEIVE GUIDANCE FROM THE COMMITTEE, WHICH IS CHARGED WITH

REPRESENTING THE HOUSE, THE SENATE, AND THE GOVERNOR'S OFFICE IN THE NEGOTIATIONS. THE CO-CHAIRMEN OF THE COMMITTEE SHALL SUBMIT TO THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE AND CHAIRMAN OF THE SENATE FINANCE COMMITTEE AN ESTIMATE OF THE EXPENSES ASSOCIATED WITH HIRING EXPERTS NECESSARY TO CARRY OUT THE OBLIGATIONS UNDER THIS SECTION.

(C) THE COMMITTEE, THROUGH ITS EXPERTS, SHALL ALSO EVALUATE AND COMPARE THE PROPOSALS BASED ON EVALUATIVE CRITERIA ESTABLISHED BY THE COMMITTEE. THE EVALUATIVE CRITERIA MUST INCLUDE, BUT IS NOT LIMITED TO, HOW EACH PROPOSAL WILL:

(1) RESOLVE THE DEBT REPAYMENT RELATED TO THE TWO ABANDONED REACTORS AND HOW THE PROPOSED TREATMENT OF SUCH COSTS AND ASSOCIATED DEBT WITH IMPACT RATES AND PRICE;

(2) ASSESS THE IMPACT OF SUCH A PROPOSAL ON THE SANTEE COOPER CONTRACT WITH CENTRAL;

(3) COORDINATE WITH SANTEE COOPER TO ENSURE NECESSARY INFORMATION IS PROVIDED TO THE COMMITTEE FOR EVALUATION OF THESE PROPOSALS;

(4) ASSESS THE IMPACT OF THESE PROPOSALS ON SANTEE COOPER BOND COVENANTS AND ADVISE AS TO WHETHER BOND COUNSEL SHOULD BE RETAINED TO ANALYZE THOSE BOND COVENANTS; AND

(5) IMPLEMENT ANY OR ALL OTHER TERMS AND CONDITIONS AS AUTHORIZED BY PARAGRAPH 117.162, SECTION IB OF ACT 264 OF 2018, TO DETERMINE IF SUCH PROPOSALS WOULD BE IN THE BEST INTEREST OF SANTEE COOPER RATEPAYERS AND SOUTH CAROLINA TAXPAYERS IF SUCH A PROPOSAL WERE ADOPTED BY THE GENERAL ASSEMBLY.

(D) THE COMMITTEE CAN DETERMINE WHICH OF THE PROPOSALS, IF ANY, WOULD BE THE MOST ADVANTAGEOUS FOR AND IN THE BEST INTEREST OF THIS STATE AND ITS CITIZENS AND RATEPAYERS IF SUCH PROPOSAL IS ACCEPTED BY THE GENERAL ASSEMBLY. IF SUCH RECOMMENDATION IS MADE BY THE COMMITTEE, THE COMMITTEE

SHALL DRAFT THE LEGISLATION NECESSARY TO ALLOW THE GENERAL ASSEMBLY TO EFFECTUATE THE PROPOSAL. SUCH DRAFT LEGISLATION MUST REQUIRE THAT THE QUESTION BEFORE EACH BODY SHALL THEN BE THE APPROVAL OR DISAPPROVAL OF THE PROPOSAL WHICH MUST BE DECIDED BY A VOTE OF “YEAS” OR “NAYS”.

SECTION 7. THIS JOINT RESOLUTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR. /

AMEND THE TITLE TO READ:

/ TO PROVIDE THAT THE PUBLIC SERVICE AUTHORITY EVALUATION AND RECOMMENDATION COMMITTEE MAY UTILIZE STATE APPROPRIATED OR AUTHORIZED FUNDS, INCLUDING THE USE OF THOSE FUNDS TO RETAIN NECESSARY EXPERTS, LEGAL COUNSEL, BANKING INSTITUTION, OR ANY OTHER FINANCIAL ENTITY, TO EVALUATE AND REVIEW A POTENTIAL, COMPLEX FINANCIAL TRANSACTION FOR THE POTENTIAL SALE OF SANTEE COOPER AND ANY OR ALL OTHER RELATED FINANCIAL TRANSACTIONS NECESSARY FOR USE IN THIS FINANCIAL EVALUATION, WHICH THE COMMITTEE CONSIDERS TO BE IN THE BEST INTERESTS OF THIS STATE AND ITS TAXPAYERS AND RATEPAYERS, TO PROVIDE THAT THE ACTIONS OF THE COMMITTEE ARE SUBJECT TO FINAL APPROVAL BY THE GENERAL ASSEMBLY, AND TO PROVIDE FOR THE MANNER IN WHICH THIS OFFER IS TRANSMITTED TO AND APPROVED OR DISAPPROVED BY THE GENERAL ASSEMBLY, INCLUDING A TIMELINE REQUIREMENT. /

RENUMBER SECTIONS TO CONFORM.

AMEND TITLE TO CONFORM.

REPORT OF THE REVENUE POLICY SUBCOMMITTEE

(G.M. Smith, Simrill, Herbkersman, Whitmire & Stavrinakis - Staff Contact: Alyssa G. Weeks)

HOUSE BILL 4287

H. 4287 -- Reps. Lucas, G.M. Smith, Simrill, Rutherford, McCoy and Ott: A JOINT RESOLUTION TO AUTHORIZE THE PUBLIC SERVICE AUTHORITY EVALUATION AND RECOMMENDATION COMMITTEE TO RECEIVE AND APPROVE A CONTRACTUAL OFFER TO PURCHASE THE ASSETS AND ASSUME OR SATISFY THE LIABILITIES OF THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY WHICH THE COMMITTEE CONSIDERS TO BE IN THE BEST INTERESTS OF THIS STATE AND ITS TAXPAYERS AND RATEPAYERS, TO PROVIDE THAT THE ACTIONS OF THE COMMITTEE ARE SUBJECT TO FINAL APPROVAL BY THE GENERAL ASSEMBLY, AND TO PROVIDE FOR THE MANNER IN WHICH THIS OFFER IS TRANSMITTED TO AND APPROVED OR DISAPPROVED BY THE GENERAL ASSEMBLY, INCLUDING A TIMELINE REQUIREMENT.

Received by Ways and Means: 03/21/2019

Summary of Bill:

Section 1 - States that the purpose of the Act is to protect ratepayers.

Section 2 - Authorizes the Public Service Authority Evaluation and Recommendation Committee, created by Proviso 117.162, Section IB of Act 264 of 2018, to receive the information needed to evaluate current bids and receive a best and final written contractual offer to purchase all assets and assume or satisfy all liabilities of Santee Cooper, after considering all other offers, and sets recommendations for what the terms and conditions of such offer should include.

Section 3 - Directs the Committee to hire legal and technical experts to negotiate with qualified bidders on its behalf and requires Committee co-chairmen to send an estimate of expenses associated with hiring these experts to the Chairman of the House Ways and Means Committee and the Chairman of the Senate Finance Committee.

Section 4 - (A) Requires that the Speaker of the House and the President of the Senate are notified in writing once the Committee has signed and approved the best and final offer in accordance with the terms set forth in Section 2. A copy of the contract and all supporting documents must be included with the written notification. Further requires that if the General Assembly is in regular session when the notification is provided, it must remain in session until a decision to approve or disapprove the contract of sale is made. If not in regular session, the General Assembly shall return in statewide session at the call of the Governor to approve or disapprove the sale.

(B) Requires the Speaker of the House and the President of the Senate to place the notification, contract, and supporting documents on the calendar in their respective chamber for approval or disapproval by that chamber, which shall be determined by a vote of "yeas" or "nays". If both chambers approve the contract of sale, the Governor and appropriate officials shall sign the contract of the sale on behalf of the State of South Carolina. Directs proceeds from the sale to be deposited in the state's general fund pending further action from the General Assembly.

"THE BELOW CONSTITUTED SUMMARY IS PREPARED BY THE STAFF OF THE SOUTH CAROLINA HOUSE OF REPRESENTATIVES AND IS NOT THE EXPRESSION OF THE LEGISLATION'S SPONSOR(S) OR THE HOUSE OF REPRESENTATIVES. IT IS STRICTLY FOR THE INTERNAL USE AND BENEFIT OF MEMBERS OF THE HOUSE OF REPRESENTATIVES AND IS NOT TO BE CONSTRUED BY A COURT OF LAW AS AN EXPRESSION OF LEGISLATIVE INTENT".

Section 5 - Suspends the provisions of the Consolidated Procurement Code for the purposes of this sale only and establishes this Act as the sole governing instrument regarding the sale and that a vote of the General Assembly in favor of approving the sale is sufficient to authorize the Governor to execute it.

Section 6 - Effective upon approval by the Governor.

Estimated Revenue Impact: Pending

Subcommittee Recommendation: Favorable with Amendment

Full Committee Recommendation:

Other Notes/Comments: [CLICK HERE](#) to Enter Notes/Comments

2nd Reading:

Amendments:

2nd Reading Vote:

Referred to Senate Finance: [CLICK HERE](#) to Enter Date

Finance Subcomm. Hearing Date: [CLICK HERE](#) to Enter Date

Subcommittee Recommendations:

Full Committee Recommendations:

Other Notes/Comments: [CLICK HERE](#) to Enter Notes/Comments

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A JOINT RESOLUTION

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TO AUTHORIZE THE PUBLIC SERVICE AUTHORITY EVALUATION AND RECOMMENDATION COMMITTEE TO RECEIVE AND APPROVE A CONTRACTUAL OFFER TO PURCHASE THE ASSETS AND ASSUME OR SATISFY THE LIABILITIES OF THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY WHICH THE COMMITTEE CONSIDERS TO BE IN THE BEST INTERESTS OF THIS STATE AND ITS TAXPAYERS AND RATEPAYERS, TO PROVIDE THAT THE ACTIONS OF THE COMMITTEE ARE SUBJECT TO FINAL APPROVAL BY THE GENERAL ASSEMBLY, AND TO PROVIDE FOR THE MANNER IN WHICH THIS OFFER IS TRANSMITTED TO AND APPROVED OR DISAPPROVED BY THE GENERAL ASSEMBLY, INCLUDING A TIMELINE REQUIREMENT.

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WHEREAS, The South Carolina General Assembly created the Public Service Authority Evaluation and Recommendation Committee, the "Committee", for the purposes of evaluating objectives related to identifying a reasonable path forward for the South Carolina Public Service Authority, "Santee Cooper", and its residential, wholesale, and industrial ratepayers. The Committee developed a thoughtful, deliberate, and ongoing process after receiving input from multiple experts experienced in multi-billion-dollar utility mergers.

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That process began with obtaining a completed market analysis and independent valuation of Santee Cooper. That analysis verified significant market interest existed that would allow acquisition of Santee Cooper in such a way that would reduce rates and remove the costs and debt associated with the two abandoned reactors at Jenkinsville, South Carolina, from ever being included in Santee Cooper rates.

1 This market analysis, dated February 1, 2019, was merely the first
2 step in providing the Committee with the initial information for
3 evaluating the future status of Santee Cooper based on the first
4 round of offers submitted by interested purchasers.

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6 The report also revealed the need for next steps to include further
7 due diligence by the Committee, through experts, to assess the
8 feasibility of the offers and verify that the bid terms could result in
9 reduced rates as compared to the current operations of Santee
10 Cooper. As a result, the Committee voted on February 27, 2019, to
11 move forward by authorizing the due diligence needed to move the
12 process forward to provide the General Assembly with the
13 information needed to evaluate the future of Santee Cooper.

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15 WHEREAS, the General Assembly finds it is necessary to complete
16 the next steps authorized by the Committee in order to receive the
17 information needed to evaluate the current bids and receive a best
18 and final actionable offer for the purpose of evaluating whether a
19 sale is in the best interests of ratepayers and all citizens of South
20 Carolina. Accordingly, the General Assembly by this act authorizes
21 the Committee to receive a best and final offer for the consideration
22 by the General Assembly.

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24 Be it enacted by the General Assembly of the State of South
25 Carolina:

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27 SECTION 1. The purpose of this Act is to protect the individual
28 and corporate ratepayers of Santee Cooper and the electric
29 cooperatives of this State who receive electric power from Santee
30 Cooper from rising electric power rates due to grossly excessive
31 debt and costs incurred in the construction of the two abandoned
32 nuclear reactors at Jenkinsville, South Carolina.

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34 SECTION 2. The Committee, created by Paragraph 117.162,
35 Section IB of Act 264 of 2018, through the February 27, 2019 vote,
36 is authorized to receive the information needed to evaluate the
37 current bids and receive a best and final written contractual offer to
38 purchase all assets and assume or satisfy all liabilities of Santee
39 Cooper upon those terms and conditions as the Committee considers
40 in the best interest of the State and its taxpayers and ratepayers, after
41 considering all other offers. It is recommended that any offer
42 submitted by the Committee to the General Assembly for approval

1 must include, but is not limited to, the following terms and
2 conditions:

3 (1) The final acceptance and approval of the contract of sale is
4 contingent upon its acceptance and approval by the General
5 Assembly in the manner required by this Act.

6 (2) The obligations and covenants made by the State of South
7 Carolina in Section 58-31-360 of the 1976 Code in regard to the
8 bonded and other indebtedness of Santee Cooper must be complied
9 with including complete defeasance of all bonds and other
10 indebtedness of Santee Cooper.

11 (3) The purchaser must covenant and agree to provide
12 meaningful rate relief in the form of reduced short-term and
13 long-term rates for all customer classes.

14 (4) The purchaser must covenant and agree to provide long-term
15 resource planning and a diversified generation portfolio to prevent
16 long-term rate fluctuations.

17 (5) The purchaser must make suitable and reasonable financial
18 and other protections for Santee Cooper employees and retirees.

19 (6) The purchaser must set forth a location for the headquarters
20 of Santee Cooper post-acquisition.

21 (7) The purchaser must agree to comply with all applicable
22 federal and state environmental protections regarding Lakes Marion
23 and Moultrie, their rivers and tributaries, and other recreational
24 assets of Santee Cooper, including a covenant to maintain the
25 present status quo regarding these lakes and other resources and the
26 quality of and access to them.

27 (8) The purchaser must agree to partner with the State for future
28 economic development projects.

29 (9) The Committee can include any or all other terms and
30 conditions as authorized by Paragraph 117.162, Section IB of Act
31 264 of 2018 that would be in the best interest of Santee Cooper
32 ratepayers and South Carolina taxpayers.

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34 SECTION 3. The Committee shall hire appropriate legal and
35 technical experts to negotiate on behalf of the Committee with the
36 qualified bidders for the purposes of receiving a best and final offer.
37 The co-chairmen of the Committee shall submit to the Chairman of
38 the House Ways and Means Committee and Chairman of the Senate
39 Finance Committee an estimate of the expenses associated with
40 hiring experts necessary to carry out the obligations under this Act.
41 The experts shall report to and receive guidance from the
42 Committee, which is charged with representing the House, Senate,
43 and the Governor's office in the negotiations.

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2 SECTION 4. (A) When the Committee receives and approves a
3 signed offer in accordance with the terms set forth in Section 2
4 herein and the Committee considers to be the most advantageous for
5 and in the best interest of this State and its citizens and ratepayers,
6 the co-chairmen of the Committee shall notify the Speaker of the
7 House of Representatives and the President of the Senate of this
8 decision in writing. The co-chairmen of the Committee also shall
9 attach to this written notification a copy of the applicable contract
10 of sale executed by the purchaser and all supporting documents. If
11 the General Assembly is in regular session when this notification is
12 provided, it must remain in session until a decision to approve or
13 disapprove the contract of sale is made in the manner required by
14 this Act. If the written notification is provided while the General
15 Assembly is not in regular session, the General Assembly shall
16 return in statewide session at the call of the Governor, but not earlier
17 than thirty days after receipt of the written notification, to approve
18 or disapprove the sale, and the General Assembly must remain in
19 statewide session until a decision to approve or disapprove is made.

20 (B) The Speaker of the House and the President of the Senate
21 shall transmit the written notification, together with the contract of
22 sale executed by the purchaser and all supporting documents to the
23 desk of their respective chamber to be placed on the calendar for
24 approval or disapproval by that chamber. The question before each
25 house shall then be the approval or disapproval of the contract of
26 sale which must be decided by a vote of "yeas" or "nays". If the
27 contract of sale is approved by both houses, the Governor and other
28 appropriate officials of this State then shall sign the contract of sale
29 on behalf of the State of South Carolina as the seller and then at the
30 closing of the sale, execute the deeds and other necessary documents
31 to effectuate the sale. The proceeds of the sale must then be
32 deposited in the State general fund pending further action by the
33 General Assembly.

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35 SECTION 5. The provisions of the Consolidated Procurement
36 Code in Chapter 35, Title 11 of the 1976 Code, the provisions of
37 Chapter 31, Title 58 relating to the South Carolina Public Service
38 Authority, and any other provisions of the general law of this State
39 in conflict with the provisions of this Act, are hereby suspended for
40 purposes of this sale only, it being the intent of the General
41 Assembly that this Act, to the extent of its provisions, is the sole
42 governing instrument regarding this sale and that a vote of the

1 General Assembly in favor of approving the sale in Section (4)(B)
2 of this Act is sufficient to authorize the Governor to execute the sale.
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4 SECTION 6. This joint resolution takes effect upon approval by
5 the Governor.

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