

## Preliminary Questions

### A. Candidate Background

1. List and describe any professional experience or education you have in the following areas: accounting, finance, leadership, business operations, risk management, corporate governance, energy, engineering, or the sciences.

Attorney General of South Carolina, South Carolina Securities Commissioner, Ninth Circuit Solicitor, Charleston County Assistant Solicitor, private practice attorney, running private practice law firm, Board Member, South Carolina Centers of Economic Excellence.

2. Are you currently a customer of Santee Cooper?

No.

3. To what do you attribute your success in your career? What qualities do you possess that enabled you to be successful? How are those qualities going to make you an effective member of the Board of Directors at Santee Cooper?

Any success is by grace of God, help from family and friends and others along the way, along with effort.

4. Please describe any experience you have had on other boards. Based on those experiences, what is your impression of how a board should operate (in regards to interaction with the management, involvement with daily operations, contact with companies doing business with Santee Cooper, etc.)?

Board Member, South Centers of Economic Excellence; also represent the St. Paul's Fire District, a special purpose district with seven commissioners.

Board sets policy and provides oversight, accountability, and transparency. Boards members generally speaking not involved in day to day operations or contact with companies doing business with Santee Cooper.

5. What is your estimate of the time required to serve as a member of the Board of Directors for Santee Cooper? Are you able to give that time to the position?

Time demands will be extensive especially during this upcoming period. Yes.

6. Do you have a relationship with any of the charities that Santee Cooper has supported in the last five years? If so, please provide the name of the charity and describe the relationship.

No.



7. Have you made any political contributions in the past five years? If so, how much and to whom were the contributions made?

Yes, personally and LLCs of which I am a sole member. \$3,500, McMaster for Governor; \$100, Mark Smith for Mount Pleasant Town Council; \$200, DeWitt for Berkeley County Sheriff; \$100, Mary Brown for Berkeley County Clerk of Court; \$1,000, Duane Lewis for Berkeley County Sheriff; \$1,000, Scarlett Wilson for Solicitor; \$250, Joe Good for Charleston City Council; \$1,000, Culver Kidd for State Senate; \$100, McMaster for Lieutenant Governor; \$100, Charlie Lybrand for Charleston County RMC; \$100, Hammond for Secretary State; \$500, Dan Isgett for Berkeley County Sheriff; \$500, John White for State Senate; \$1,000, Irv Condon for Charleston County Probate Judge; \$3,500 Wilson for Attorney General.

8. Do you or any of your immediate family members (as defined in S.C. Code Ann. § 8-13-100) have a business, financial, or other relationship with Duke Energy or any of its subsidiaries, SCE&G, or an electric cooperative? Do you or any of your immediate family members have a business, financial or other relationship with any other investor-owned utility or an electric cooperative that operates outside of South Carolina? Please include any stock that you or an immediate family member own in these companies and/or any mutual funds that you or an immediate family member own that invests in these companies.

Companhia Paranaense de Energia (Brazilian) 1200 shares, Transcanada Corp 433 shares, Spouse Emily owns 242 shares of Duke Energy; 147 shares of Dominion Energy; 704 shares of Southern Company; and 354 shares of Xcel Energy, Inc. No other relationship other than being a ratepayer of SCE&G.

9. As a director of Santee Cooper would it be ethical for you, your family, or businesses or charities with which you or they have a business, financial, or other relationship to benefit from any Santee Cooper business opportunity or contract? Why or why not?

No. Purpose of service not profit but public service.

## **B. Operations of Santee Cooper**

1. What services does Santee Cooper perform, and where are those services performed?

Provides electricity (GTD; generation, transmission, & distribution) throughout South Carolina and elsewhere either directly or indirectly; water in certain locations, and recreational facilities throughout South Carolina.

2. Generally, who are Santee Cooper's customers? Who is Santee Cooper's largest customer?

Ratepayers of Santee Cooper are ratepayers in assigned retail territory in Berkeley, Georgetown, and Horry (176,748 ratepayers); industrial ratepayers/customers, three municipalities in South Carolina, and three similar entities outside of South Carolina. Other and by far largest customer is Central Electric Power Cooperative which serves all 20 electric cooperatives. Santee Cooper also provides water to water systems in South Carolina.

3. What are Santee Cooper's most valuable assets?

Its employees, facilities, and assets such as land and contracts for sale of electricity and water.

4. Why was Santee Cooper created, and what are its goals? Do you believe Santee Cooper has fulfilled these goals? Should Santee Cooper continue to exist as a quasi-state entity?

Santee Cooper was created as a WPA project for Rural Electrification and navigation. Its goals now are providing electricity, water, economic development, and to a limited extent recreation. Imprudent fiscal management has greatly impaired continued achievement of these goals. Whether Santee Cooper should continue to exist as a quasi-state entity is up to the General Assembly of South Carolina and the Governor.

5. Do you believe legislative approval is required before Santee Cooper may sell or lease, real or personal property that is used in the generation, transmission, or distribution of electricity if the sale or transfer would not materially impair the authority's ability to meet generation, transmission, and distribution needs of its ongoing operation including an adequate reserve capacity and reasonable growth in needs? If the sale or lease would materially impair Santee Cooper's ability to meet generation, transmission, and distribution needs of its ongoing operation including an adequate reserve capacity and reasonable growth in needs, could Santee Cooper sell or lease, real or personal property that is used in the generation, transmission, or distribution of electricity without legislative approval?

If no material impairment, legislative approval not required. (58-31-30). If material impairment, legislative approval required. All that being said, given current circumstances, legislative approval for all of these type transactions appropriate.

6. How does Santee Cooper compare to government-owned power companies in terms of generation of electricity and sales of electricity?

My understanding it is one of the largest depending on metric used.

7. What is Santee Cooper's current bond rating, and why is that important?

A+. Important because lowers borrowing costs.

8. How much money does Santee Cooper contribute to South Carolina's budget per year?

1% of annual revenue in accordance with 58-31-110, SC Code of Laws or approximately \$17.8 million.

9. What is the dominant fuel source for Santee Cooper? What other sources of fuel are utilized? Do you envision any changes in sources or mix of generation?

Coal, Gas, nuclear, off system purchases, hydro, and renewables. As I understand it, given cost, gas seems to be an attractive fuel source of the future for now.

10. What are the major legal, financial, and personnel challenges facing Santee Cooper today?

VC Sumner failure and associated debt and legal challenges.

### **C. Best Practices for Board of Directors**

1. When the board and the management disagree, how do you believe the disagreements should be resolved?

Any disagreements aired in a public forum and resolved via recorded vote. Long range strategic planning and associated decisions ultimately decided by board after consultation with management.

2. If a company is doing business with Santee Cooper and you are personally acquainted with the company's management or familiar with their line of work, how would you handle the situation? Do you think this is a benefit or a conflict of interest? Would you participate in the negotiations between Santee Cooper and this company?

At a minimum, SC Code Section 58-31-56 must be followed. Additionally, I would recuse myself from voting on anything relating to matter and would not be involved in negotiations. Would provide information only and would disclose relationship since while it may be a benefit, it may also be a conflict of interest.

3. Describe the duty of loyalty and the duty of care you would owe to Santee Cooper.

Principles set forth in SC Code Sections 58-31-55 and 56 set the minimum standards. Director should always conduct himself/herself in accordance with "best interests" test.

4. To whom do you as a Santee Cooper board member owe duties? What would you do in the case of conflicting interests?

Santee Cooper board member duties are set forth by statute. I will always consider the interests of ratepayers, customers, and employees. In case of conflicting interests, I would put ratepayers first.

5. What are the differences between directors and managers? Specifically, what are the roles of each in the business operations of Santee Cooper?

Directors or board members set policy and hire or fire CEO. Managers oversee daily operations and carry out director policies.

6. Is it proper for the board of directors not to heed or follow the advice of general counsel? If so, in what instances is it proper?

Yes. When advice is wrong or another course seems more prudent, it is proper not to follow the advice. That having been said, advice of general counsel should be carefully considered.

7. What is the proper role for the board in regards to Santee Cooper's pursuit of economic development for the area and South Carolina?

The board should strongly support economic development for the service area and South Carolina as set forth in SC Code Section 58-31-55.

8. How important is board unity? How would you handle a board member who acts on his own without the knowledge and approval of the board?

Board unity is important but should not stifle diversity of opinion or debate. A board member who acts on his/her own without the knowledge or approval of the board needs to be stopped by whatever means appropriate.

9. What would be your first three immediate goals to achieve as a member of the board?

Transparency, accountability, and fiscal prudence.

10. What role should a director's political or ideological beliefs play in making a decision? Should a director base his decision solely on what is in the best interest of Santee Cooper?

Political or ideological beliefs should play no role. Decision should be based solely on best interests test and considering impact on ratepayers, customers, and employees.

**D. Freedom of Information Act**

1. What is the purpose of the Freedom of Information Act (FOIA)? How can you ensure that the Santee Cooper Board complies with the FOIA?

To make sure the public knows what is transpiring. I can assure you full compliance with FOIA will occur.

2. What types of interactions sufficiently constitute a "meeting" in order to fall within the terms of FOIA? Are e-mail communications and chance social meetings subject to FOIA?

Meetings within the definition and spirit of FOIA can occur at social events, dinners, etc., when a quorum is present. Again, I will make sure there is strict compliance with FOIA including email communication and chance social meetings.

3. Are there any practices and/or safeguards that could be put in place in order to avoid violations of FOIA?

Absolutely. If given the opportunity to serve, I will ensure strict compliance with both the letter and spirit of FOIA.