

Economic Development and Natural Resources Subcommittee

Rep. Leon Stavrinakis, Chairman

Rep. Alan Clemmons

Rep. David Weeks

January 2020

The mission of Santee Cooper

is to be the state's leading resource
for improving the quality of life
for the people of South Carolina.



1% Payment To The State



- 2019 = \$17,496,000
- 2020 = \$17,479,000
- Cumulative PTS = \$427 million

Credit Ratings

Rating Agency	Rating
S&P	A
Moody's	A2
Fitch	A1

Year in Review



- **Leadership Team**
 - On July 9, 2019, hired new President & CEO and Deputy CEO, each with over 40 years of utility experience
 - Eliminated (or reclassified to a more appropriate level) 30% of senior management positions (vice-president and above)
 - Further reorganization efforts ongoing that emphasize planning, innovation and customer service

- **Headcount Management**
 - 10% reduction in budgeted staffing levels from 2017
 - Annual savings of approx. \$18 million when compared to 2017 budget

- **Safety**
 - Earned first-place in American Public Power Association's Safety Award for Excellence for large utilities
 - 2018 and 2019 represent the two lowest recordable incident rates in Santee Cooper's history

- **Diversity**
 - 2018: Achieved diversity goal of 99.8% as recognized by the SC Human Affairs Commission (ranked as #1 among state agencies with greater than 1,000 employees)
 - 2019: Preliminary results for 2019 of 99.6% (SC Human Affairs Commission final report in February)

- Reliability
 - #1 South Carolina utility for reliability, 4 out of 534 private sector utilities in the United States

- Customer Service Satisfaction

Residential	93%
Commercial	97.2%
Industrial	88%
Municipal wholesale	100%

- Water System
 - Named “Best-Tasting Water” in SC

- Hurricane Dorian – September, 2019
 - Restoration
 - 51,000 outages, 24,059 customers out at peak
 - Restored within 38 hours
 - Grainger site (adjacent to Waccamaw River)
 - Pond 1 – all ash removed prior to event
 - Pond 2 – maintained stability of dike and no ash released

Energy Efficiency/Renewable Achievements

- Reduce the Use Program
 - Met 2020 goal of saving customers 209 Gigawatt-hrs per year
 - \$258 million in customer savings 2009-2018
 - 75k customers have saved energy and money
 - Annual energy savings enough to power 16,500 average residential customers for a year
- Recent and Planned Solar
 - Jamison = 1.2 MW (April 2019)
 - Runway = 2.0 MW (Dec 2019)
 - 1,000 MW of solar and 200 MW of battery planned under current resource plan
- Increased Rooftop and Community Solar Participation

2019 Economic Development Statewide Results

- 25 announcements
 - 18 new projects
 - 7 expansions
 - \$381,800,00 capital investment
- 1583 new jobs

Camp Hall

The impact and benefit of the Volvo factory in Berkeley County is being realized

- On May 11, 2015, Volvo Car announced that Berkeley County, South Carolina would be the location of its first American factory.
- Volvo Car has invested over \$1 billion in the new facility with a capacity to initially produce up to 150,000 cars per year.
- Santee Cooper expects customer load to be approximately 107,000 MWh's annually once plant commences operation.
- Santee Cooper provides the electricity to Central under the cost of services provision of the Central Coordination Agreement.
- The factory is expected to employ approximately 4,000 employees by 2021
- The Volvo Car plant is projected to contribute over \$4.8 billion in total economic output on annual basis.
- Camp Hall, an approximately 4,000-acre business park adjacent to the Volvo Car plant, is planned to include many services for employees such as health and fitness, convenience and personal services, shopping and dining.
- A ribbon cutting was held on August 29, 2019, for the Volvo Car Drive Interchange at mile marker 189 along Interstate 26, which opened to traffic on August 30, 2019, feeding directly into Camp Hall.
- On January 13, 2020 Volvo Car announced a facility at their plant to make batteries for an all electric version of their popular XC 90 SUV.



Retail Rate Comparison



Average Monthly Bill, typical* residential customer

○ Santee Cooper	\$113
○ Duke Energy Carolinas	\$121
○ Duke Energy Progress	\$126
○ Dominion/SCEG	\$125

*1000 kWh/Month

Santee Cooper Business Plan (September, 2019)

- *Not Santee Cooper Reform Plan*
- Significant operational cost reductions
- 7% projected rate increase eliminated
- 5 years of price stabilization
- Leaner, greener resource mix
- More opportunities for customers to save money with demand-side management
- Returns debt equity ratio to historic lows

- DOA exercised one-time 60 day extension under Act 95
- Look forward to discussing our plan with you at an appropriate time

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