

The 5-Point Plan

Summary Statement:

**Savings from cleaner power
and more efficient operations,
along with strategic debt paydowns,
are forecast to eliminate
Santee Cooper's need for a
rate increase over the next five years.***

****Source: 2019 Business Forecast, www.santeecooper.com/2019businessforecast,
on a base rate plus fuel basis***

LEANER, GREENER

- We will close the coal-fueled Winyah Generating Station by 2027 and replace that power with 1,000 MW of solar and additional natural gas, as needed for reliability.
- Our cleaner, greener generating mix will be cheaper too, saving \$90 million a year initially and \$170 million a year after 2027.

Winyah Station Employee Specifics

(185 Employees)



2023

- Winyah Units 3&4 idled
- Reduction of approximately 50 positions



2027

- Winyah Units 1&2 idled
- Reduction of most remaining positions

Goals:

- Use best faith efforts to relocate or repurpose employees at other locations.
- Identify vacancy/retirement opportunities.
- Identify transferable knowledge and retrain impacted employees as necessary.

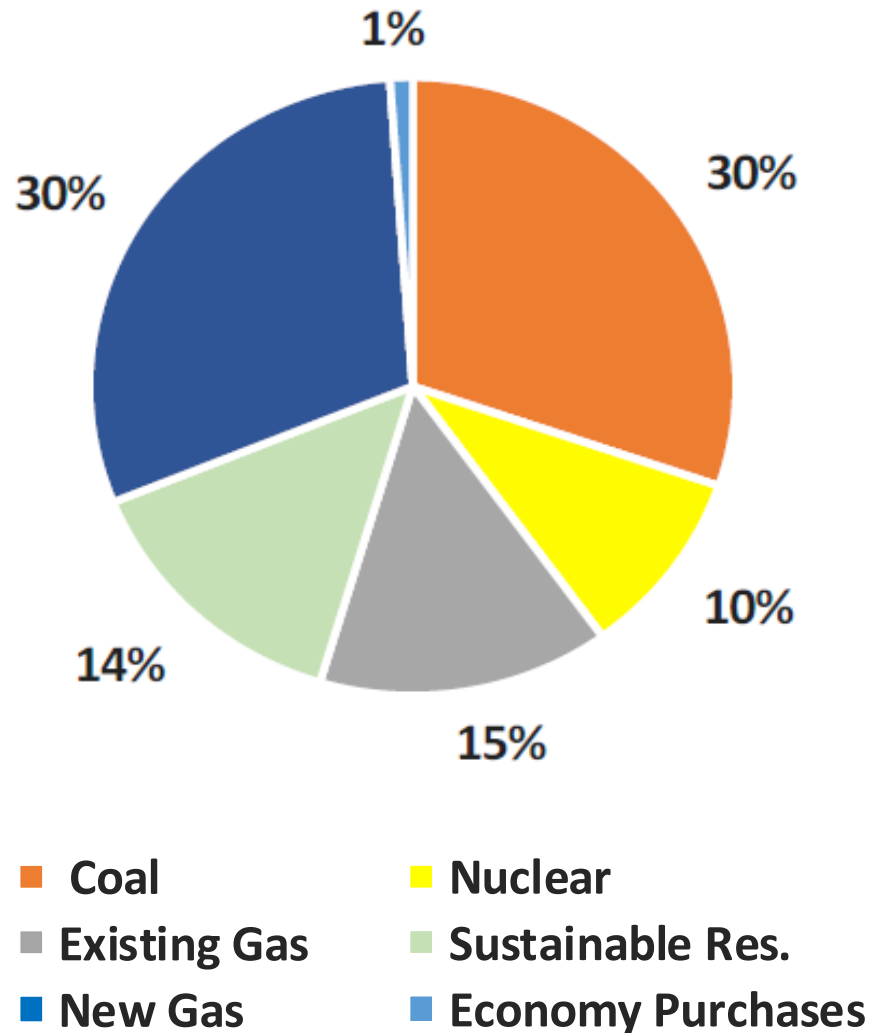
REDUCED DEBT

- We will use \$925 million in cash and other internal funds over the next two years to pay down debt, including \$350 million in 2019 and \$575 million in 2020 and 2021.
- That will significantly reduce overall debt and shorten its payback time.
- In 2017, our total company debt was \$8.2B and today it's \$6.8B.

REDUCED EMISSIONS

- Closing Winyah reduces Santee Cooper's reliance on coal by over 40%.
 - That reduction, plus the addition of clean energy resources, will lower our carbon emissions by about 30% over the next decade.

NEW ENERGY MIX TARGET



MORE ADVANCED TECHNOLOGY

- The plan includes 200 MW of battery storage – South Carolina’s first large commitment to this new technology. This will improve system reliability (especially with a larger renewable footprint).
- We’ll also be accelerating our rollout of smart meters to customers, and developing a new energy management program to help customers use new technologies to better manage their own energy use.

STABLE PRICES

- **Santee Cooper plans to not raise rates for at least the next five years.**
- **Combined with several years already of steady prices helped by falling fuel costs, that will mean at least a decade with no increase in the cost of power to Santee Cooper customers.**

The 5-Point Plan:

- ✓ Leaner, greener
- ✓ Reduced debt
- ✓ Reduced emissions
- ✓ More advanced technology
- ✓ Stable prices