



South Carolina Public Service Authority

Investor Communication

March 25, 2025

Disclaimer



The following presentation is provided as of March 25, 2025 for general informational purposes by the South Carolina Public Service Authority (the “Authority” or “Santee Cooper”) as part of the J.P. Morgan Public Finance Transportation and Utility Investor Forum on March 25, 2025. This investor presentation speaks only as of its date of March 25, 2025; if you are viewing this presentation after such date, subsequent events may have occurred that materially change the financial and/or operating information presented herein. This presentation does not include every item which may be of interest, nor does it claim to present full and fair disclosure with respect to any debt issuances of the Authority within the meaning of applicable securities laws.

A copy of this presentation will be disseminated as Other Financial Voluntary Information pursuant to SEC Rule 15c2-12 on EMMA and is also available on our website at www.santeecooper.com.

This presentation is not intended to and should not be used as the basis for making any investment decisions in bonds issued by the Authority. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any security of the Authority.

No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness, or reliability of the information, opinions or conclusions expressed herein. The information contained in this presentation is provided in summary form and does not purport to be complete.

This presentation may contain forecasts, projections, and estimates that are based on current expectations but are not intended as representations of fact or guarantees of results. If and when included in this presentations, the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” and analogous expressions are intended to identify “forward-looking statements” as defined in the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, and any such statements inherently are subject to a variety of risks and uncertainties, which could cause actual results to differ materially from those contemplated in such forward-looking statements. These forward-looking statements speak only as of the date set forth above. Nothing in this presentation should be considered as an express or implied commitment to do or take, or refrain from taking, any action by the Authority or an admission of any fact or future event. Nothing in this presentation shall be considered a solicitation, recommendation or advice to any person to participate, pursue or support a particular course of action or transaction, to purchase or sell any security, or to make any investment decision.

The Authority disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Authority’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

By viewing the presentation, you acknowledge that you understand and agree to the provisions of this page.

Key Takeaways



Retail Rates

The rate freeze has ended. Our Board approved new retail base rates in December which will be implemented in April 2025



Cook Settlement Disputes Resolution Agreement

The Authority, Central, and Class Counsel have approved an agreement (subject to Court approval) to resolve certain disputes among the parties, including disputes related to the *Cook* Rate Freeze Exceptions



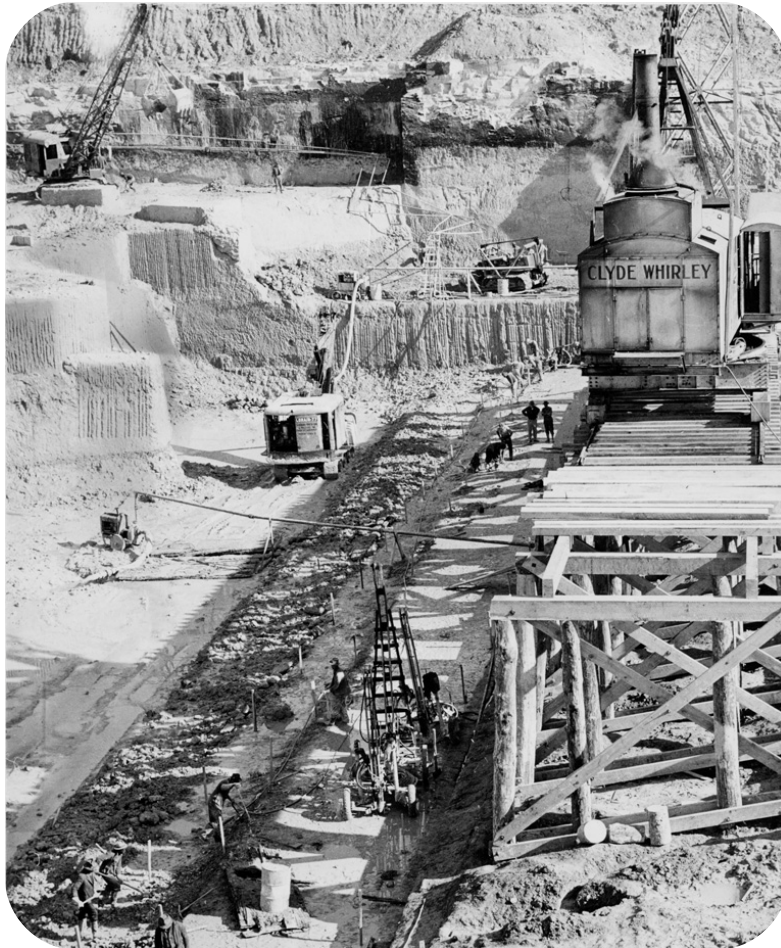
Financial Overview

The Authority has a sound financial plan that supports the growing needs of our State



Overview of the Authority

The Authority is South Carolina's public power and water utility, the state's largest power provider, and the ultimate source of power for approximately 2 million people.



Our Business

- An electric and water utility headquartered in Moncks Corner, South Carolina
- Owned by the State of South Carolina
- One of the nation's largest public power utilities:
 - \$12.3 billion of total assets and deferred outflows of resources (2024)
 - \$1.92 billion of operating revenues (2024)

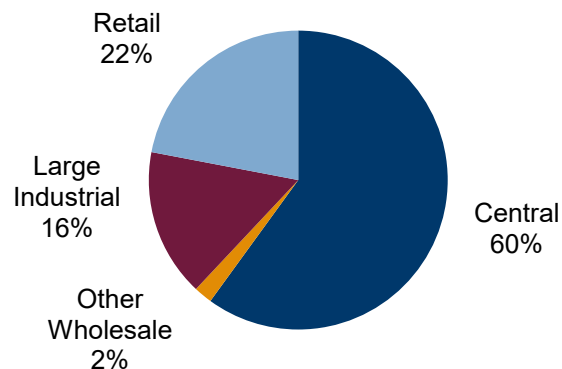
Our Customers

- Retail and wholesale provider serving over 2 million South Carolinians
- Provided 27,150 GWh in 2024 to its customers
- Largest customer is Central Electric Power Cooperative; providing approximately 60% of Authority's revenues

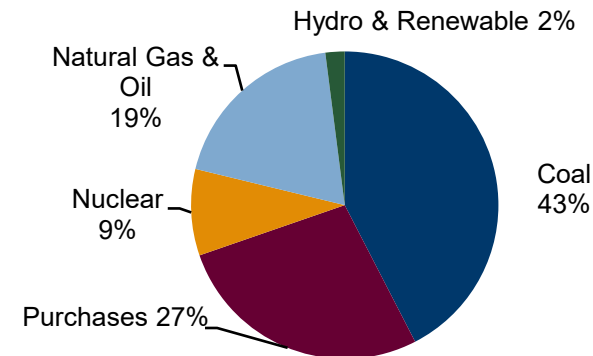
Rates

- Autonomous rate making ability
- Competitive wholesale and retail rates in our state
- Approximately 75% of the Authority's revenues are derived from automatic rate adjustments which mean no action is required by management or the Board of Directors
 - Rate freeze has ended and automatic rate adjustments were reinstated in January 2025

Revenue by Customer Category (2024)



2024 Fuel Mix (MWh)





End of the Rate Freeze

- Rate Freeze ended December 31, 2024 and all automatic rate adjustments were reinstated in January 2025 which will recover over 75% of costs
- Board approved retail rate adjustment and it will be implemented in April 2025
- The Authority, Central, and Class Counsel have approved an agreement to resolve certain disputes among the parties, including disputes related to the Cook Rate Freeze Exceptions (subject to Court approval)



Positioned For The Future

- Integrated Resource Plan (IRP) was unanimously approved in February 2024
- Submitted an update to our IRP in September 2024 which addressed an updated load forecast which shows significant increase since initial IRP



Leadership

- New Chief Legal Officer and General Counsel – Carmen H. Thomas represented the Authority in a variety of legal matters over the past 17 years, most of that as a partner with external counsel
- New Chief Strategy and Communications Officer position; Shawan Gillians has 13 years of experience at the Authority



Financial

- 2024 Debt Service Coverage of 1.20x (after distribution to the state, cash basis which excludes Cook Deferred Expenses and Cook Regulatory Asset write-down)
- \$1.2 billion in Bank Facility capacity which provides liquidity of which approximately \$600 million is unused capacity as of February 28, 2025
- Fuel Risk Management¹:
92% of the system's MWh needs and 65% of the costs are hedged for 2025

The Authority has 56 days of coal on hand based on . average daily burns



Industry Excellence

- American Public Power Association - 1st place Safety Award of Excellence for large utilities
- Earned the Reliable Public Power Diamond designation from the American Public Power Association
- Ranked in the top 10 out of nearly 500 utilities for average residential customer's least time without power (2023 data)
- Named a top-25 U.S. electric utility by Business Facilities Magazine (2025 data)

1. As of February 28, 2025



Retail Rates

Rate Setting

The Authority's Board has autonomous rate setting authority

Cost Recovery Mechanisms

Certain contracts and retail rate riders that are designed to adjust automatically were reinstated January 2025. No action was required by Board or management. These adjustments include:

- Central contract is cost of service where rates adjust to actual (fuel on a monthly basis and non-fuel on an annual basis).
- Retail rates have fuel adjustment clauses that are based on a 3-month rolling average.
- Demand sales adjustment clauses are based on a monthly true-up.

75% of the Authority's costs are recovered with these automatic rate adjustments

Retail Rate Adjustment




The approved rate increase will only impact Retail base rates

- The Authority hasn't increased base Retail rates since April 1, 2017.
- The base rate adjustment will be implemented in April 2025.

Cook Rate Freeze Exceptions are not included in the proposed rate adjustment

- The Authority, Central and Class Counsel approved, subject to Court approval, an agreement to resolve the Cook Rate Freeze Exceptions, including the amount to recover and the term of collection
- The Authority will begin collecting the Exceptions Charge from its retail customers through its deferred cost recovery rider and from Central on its invoices beginning in July 2025

Rate Process Milestones

 Held public comment meetings and received comments from other interested parties	June 10 - October 8, 2024
 Board received management’s recommended modifications to the proposed rate adjustments	November 7, 2024
 Board approved rate adjustments	December 9, 2024
Implementation of the approved rate adjustments	April 1, 2025

- The Authority conducted a year-long rate study for the purpose of revising residential, commercial, industrial and lighting class rates
- A single adjustment to rates will go into effect in April of 2025 (average of 4.9% across classes). This does not include any additional adjustment related to the Cook exceptions.
- The Authority is moving to a three-part rate for most residential customers, as well as small commercial customers

The Authority is currently the lowest-cost provider among large utilities in South Carolina

Modified Average Annual Increase in Revenues ¹

Customer Class	Modified Rates in 2025 ² (vs Present Rates)
Residential ³	8.8%
Commercial	4.1%
Lighting	5.0%
Industrial ⁴	2.6%
TOTAL AVERAGE	4.9%

- Comparisons* of the average cost per kWh for firm service at selected monthly usage levels for the period of October 1, 2023, to September 30, 2024, are below:

	Residential 1,000 kWh	Commercial 5,000 kWh	Industrial 9,000 kW- 5,000,000 kWh
Authority	11.05¢	8.89¢	6.03¢
Duke Energy Carolinas	13.53¢	11.81¢	7.69¢
Duke Energy Progress	15.47¢	12.70¢	8.52¢
Dominion	14.35¢	13.64¢	8.25¢

**This rate comparison does not include the new 2025 rates or any adjustments related to the Cook exceptions*

1. Average increase in total revenues for all customers in class. Not all customers in a class will experience the same level of adjustment
 2. Does not include recovery of Cook exceptions which are anticipated to be collected through a proposed rider added to customers' bills and would not be included in the base rate
 3. Does not reflect any changes in customer behavior based on new rate design
 4. Includes Industrial Firm & Non-Firm



Cook Settlement Disputes Resolution Agreement

- **The Authority settled a class action lawsuit in 2020 related to claims associated with the stopped construction of VC Summer Nuclear Units 2 and 3. Under the settlement, the Authority can continue to recover costs of the VC Summer Nuclear Units 2 and 3 project, including debt service, from customers.**
- **As part of the settlement, the Authority was obligated to provide:**
 - A \$200 million cash settlement to customers, which was completed in 2022
 - A rate freeze to customers from August 2020 through December 31, 2024.
 - The Authority completed our obligations and all customers' rates were unlocked as of January 15, 2025.
 - The settlement allowed for certain unexpected costs to be deferred for collection following the rate freeze (the "Cook Exceptions")
 - As of December 31, 2024, the Authority had recorded a total of approximately \$704¹ million of Exceptions.

¹. *Deferred expenses are net of reimbursements from third parties and exclude capital amounts and potential unreported new 2024 exception events*

- **The Authority, Central, and Class Counsel have approved the Cook Settlement Disputes Resolution Agreement (the “Exceptions Agreement”) to resolve certain disputes among the parties, including disputes related to the Cook Rate Freeze Exceptions. The Exceptions Agreement is subject to the Court’s final approval.**
- The Authority will recover:
 - \$550 million in Exceptions costs (“Resolution Amount”)
 - Interest from Jan. 1, 2025-June 30, 2025
- These costs will be recovered through debt service over a 14.5 year period and includes amounts to reflect the Capital Improvement Requirement (“CIF”) at 8%, payment to the State, and sums in lieu of taxes
- The Authority will not collect (and specifically waives) other Exceptions

- **The Authority recovers 78% of the Cook Exceptions regulatory asset**
- **The Cook regulatory asset has been written down in 2024 to \$550 million to align with the defined Resolution Amount**
- **The Resolution Amount exceeds the Authority's \$480 million of Cook-related short-term debt outstanding**
- **The settlement provides for**
 - Financing the Recovery Amount with long-term debt
 - Using proceeds to pay off existing short-term debt, and
 - Replenishing liquidity for ongoing operations
- **The estimated impact on customers' bills is an increase of approximately 3%, an average increase of less than \$5 on the monthly bill of a typical residential customer**



Financial Plan

➤ **Rate freeze ended in December 2024**

- Approximately 75% of our costs returned to recovery through automatic pass-through adjustments in January 2025
- The remaining portion will be adjusted through the retail rate process that is implemented in April 2025

➤ **Strong projected load growth**

- The Authority's updated load forecast reflects substantial load growth from new and existing large customers
- The Authority is using a risk adjusted approach to projecting new large loads
- Made an adjustment to the load forecast of approximately 1,100 MW (winter peak) by 2033

➤ **Robust capital plan that invests in the electric system**

- Investment in improvements to existing power supply facilities, extensions of and improvements to the transmission and distribution systems, other general improvements and compliance with environmental requirements

➤ **Capacity expansion**

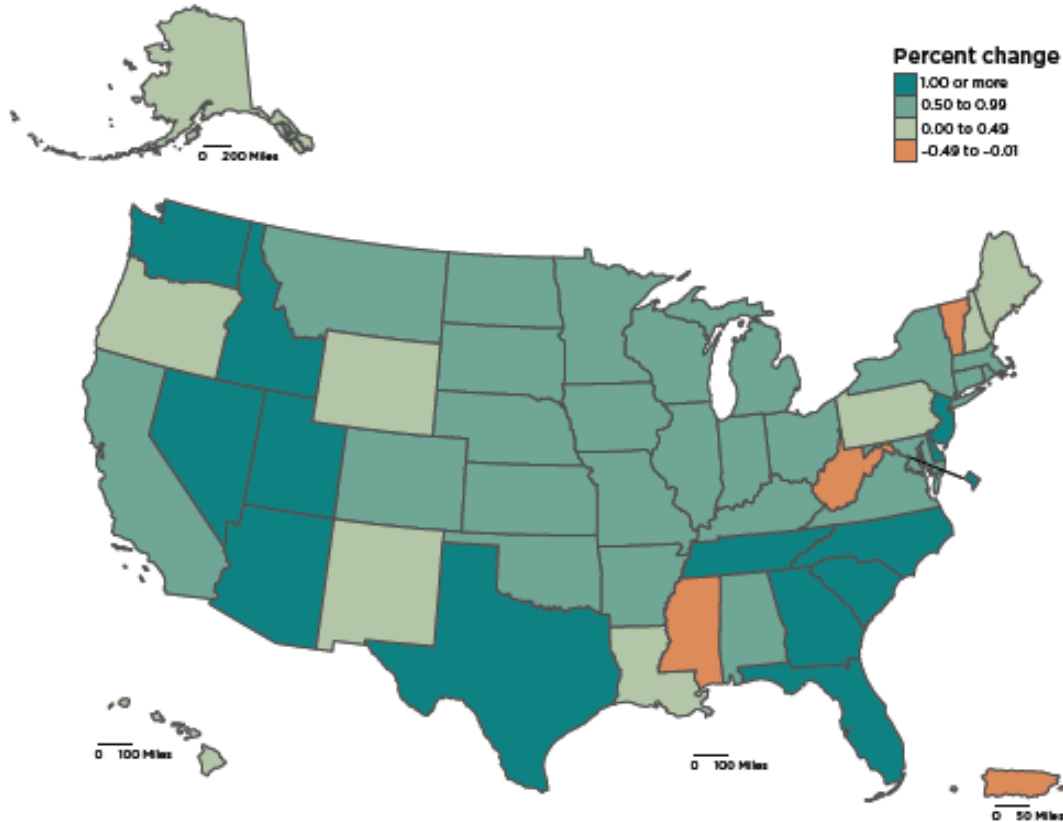
- Investments based on the latest IRP includes approximately 1,000 MW ownership share in a combined cycle with a COD of 2031 to coincide with the retirement of Winyah
- Secured capacity using purchased power agreements for 250 MW in 2024-2028 and 150 MW in 2025-2028
- The IRP Update that was filed in September 2024 reflects the latest load growth projections

➤ **Reduced fuel cost**

- System risk mitigation by hedging volume and cost related to natural gas, coal, coal transportation surcharge, and purchased power agreements

Percent Change in State Population

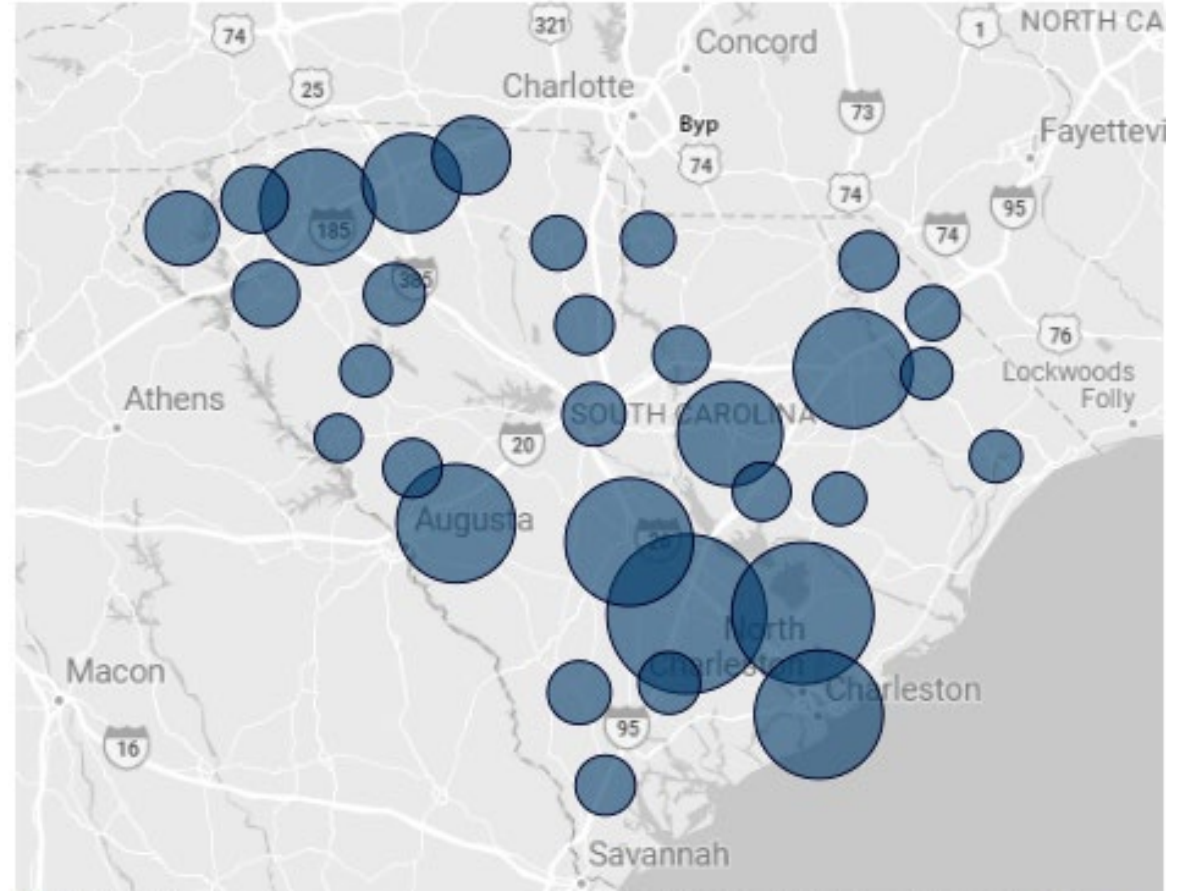
July 1, 2023, to July 1, 2024



South Carolina was the fastest growing state in 2024 at 1.3% and in 2023 at 1.71%

Source: www.census.gov

Announced Investment & Jobs by County

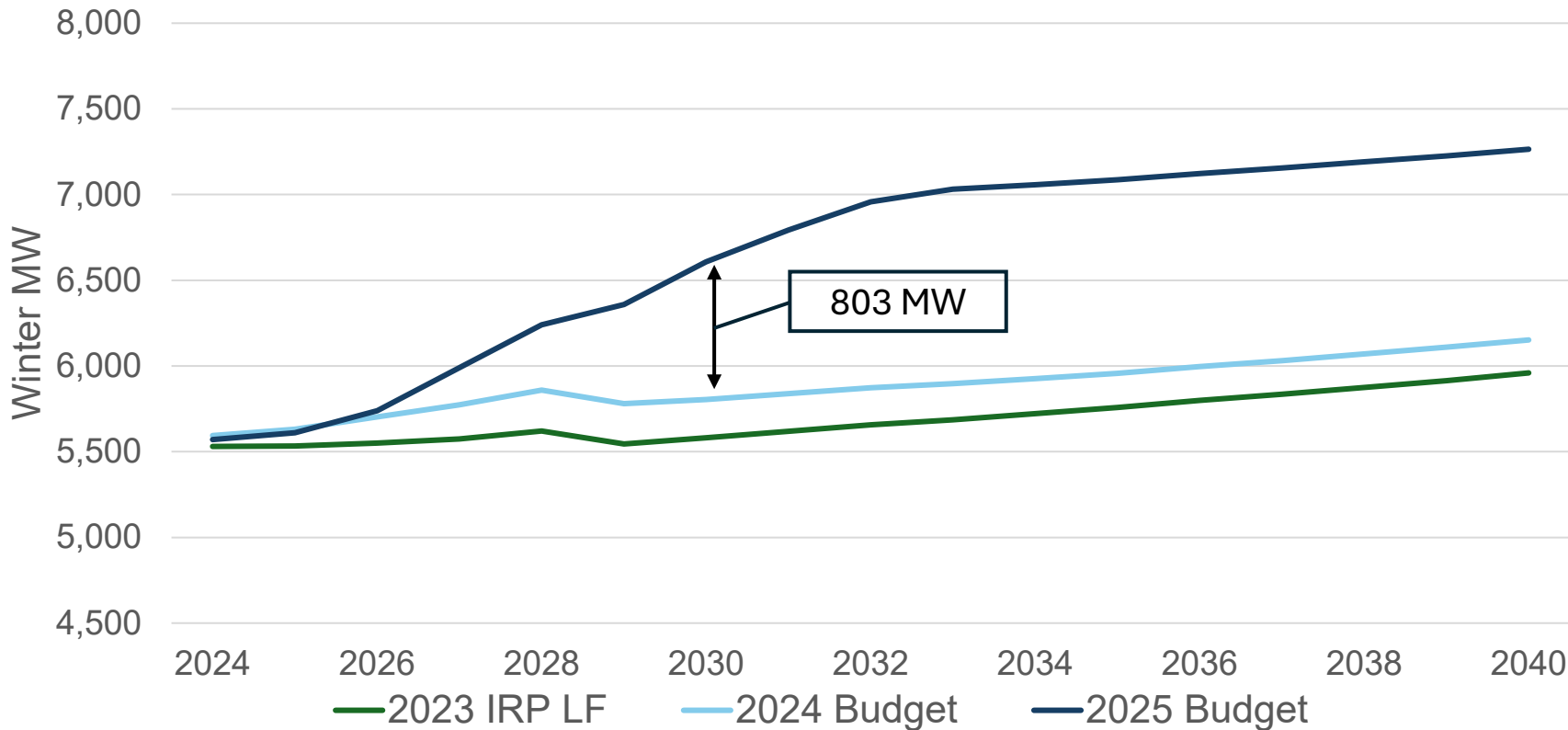


South Carolina continues to see significant economic development, with \$8.2 Billion announced in 2024 and over 5,500 new jobs.

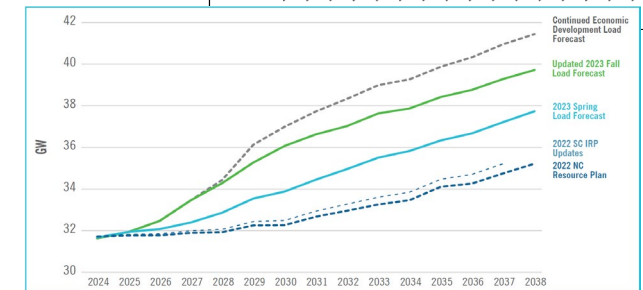
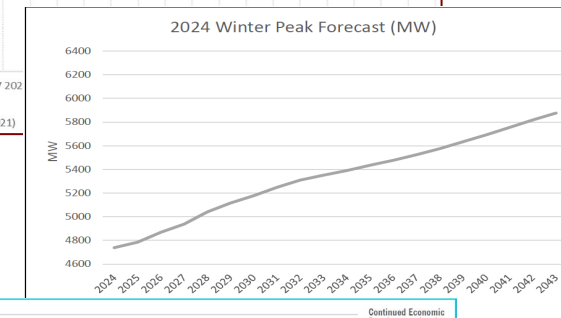
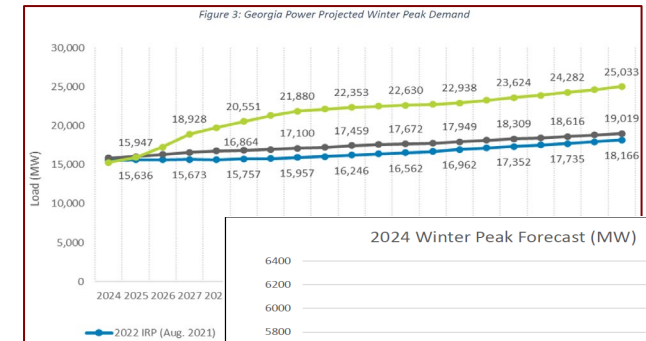
Source: SC Dept. of Commerce, chart shows projects announced 12-2023 through 12-2024

The Southeast is experiencing significant and rapid load increases from new industry and population growth, driving investment to meet the needs of the State.

Santee Cooper Load Forecast

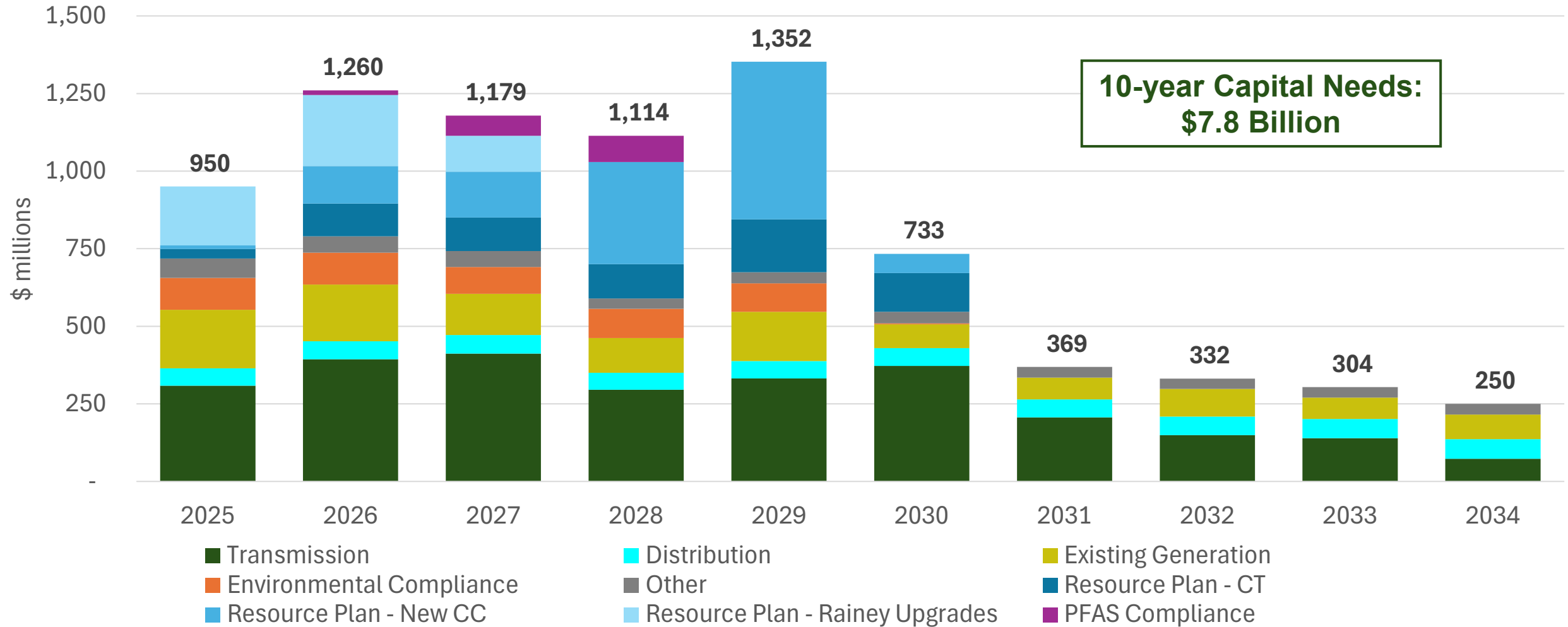


Neighboring Utility Forecasts (Georgia Power, Dominion SC, Duke Car.)



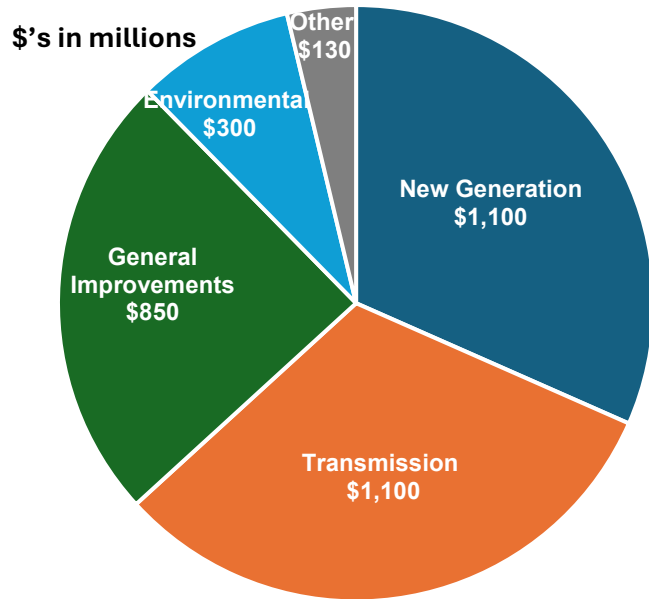
1. Neighboring Utility Sources: Georgia Power: 2023 IRP Update pg. 10, Dominion SC: 2024 Annual Update pg. 55, Duke Carolinas: IRP Load Growth Fact Sheet (1/2024).

Financial Plan | Robust 10-Year Capital Plan



The Authority has a significant amount of new money needs and refunding opportunities over the next few years

- Current projections estimate the total cost of the capital improvement program for 2025 through 2027 at approximately \$3.5 billion which will be funded through a combination of internally generated funds as well as debt



- \$2.6 billion is expected to be funded through long-term debt

- The Authority has approximately \$1.2 billion of tax-exempt bonds that are or will become callable over the next two years:

Refunding Bonds	Call Date	2025 Callable Par	2026 Callable Par	Total
2014C*	12/1/2024	\$ 65,000,000		\$ 65,000,000
2015A*	6/1/2025	145,975,000		\$ 145,975,000
2015E	12/1/2025	108,125,000		\$ 108,125,000
2016A	6/1/2026		457,735,000	\$ 457,735,000
2016BC	12/1/2026		449,845,000	\$ 449,845,000
Total		\$319,100,000	\$907,580,000	\$1,226,680,000

* A portion was refunded by the 2025B bond transaction.

- Exceptions Agreement Funding:
 - The Authority will initially fund the Recovery Amount from bank facilities.
 - The Authority expects to borrow approximately \$69 million, in addition to the \$481 million previously borrowed, to fund the remaining portion of the \$550 million Resolution Amount.
 - The Authority will also borrow amounts to fund the remaining components of the Recovery Amount which includes interest from January 1, 2025 through June 30, 2025 and costs of issuance.
 - The Authority will attempt to refinance the Recovery Amount through the issuance of long-term debt as soon as reasonably practicable.
 - Long-term issuance to be approved by the South Carolina Joint Bond Review Committee, and the parties to the Exceptions Agreement agree to cooperate to seek such approval.

Electric System (\$Millions)	2024 Actuals		2025 Budget - Cook		
	2024	2025	2026	2027	
Operating Revenue	1,909	2,269	2,580	2,774	
Fuel and Purchased Power	857	920	1,066	1,174	
NFOM	522	565	593	620	
Reg Asset Increases: O&M	(36)	-	-	-	
Reg Asset Decreases: O&M ¹	137	17	35	35	
Total O&M Expenses	1,480	1,503	1,693	1,829	
Operating Margin	429	767	887	945	
Depreciation/Int. Expense/ Misc. Income/CTBR/SIL ²	(577)	(633)	(701)	(776)	
Reinvested Earnings	(148)	134	186	168	
Debt Service	426	567	677	677	
Metrics					
Debt Service Coverage inc. Reg Asset ³	1.03x				
Debt Service Coverage exc. Reg Asset ⁴	1.20x	1.38x	1.39x	1.43x	
Days of Cash (exc. collateral) ⁵	105 Days	106 Days	100 Days	101 Days	
Days of Liquidity (exc. collateral) ⁵	268 Days	368 Days	327 Days	294 Days	
Energy Sales (GWh) ⁶	27,140	27,788	29,337	31,144	

1. Includes Cook Settlement Exceptions Regulatory Asset write-down in CY2024. Beginning July of 2025, the Regulatory Asset amounts are amortized over a 14.5-year term aligning with the proposed Exceptions Resolution – amounts are preliminary and are subject to change.

2. Includes deferrals of interest expense to Cook Regulatory Asset of \$26M in 2024 and \$8M in 2025. For 2026 and 2027, includes Regulatory Asset decreases: amortized interest expenses of \$4M annually.

3. Includes Cook Deferred Expenses and write-down/amortization of the Cook Regulatory Asset.

4. Cash Basis- Excludes Cook Deferred Expenses and write-down/amortization of Cook Regulatory Asset.

5. Excludes collateral of \$10M for 2024 Actuals. Days of Cash and Days liquidity for 2025+ are Combined Systems, based on \$1.2bn credit capacity through 2027.

6. Energy Sales at transmission level; represents fixed energy billing.



Nuclear RFP

- The Authority has engaged a consultant to conduct an RFP process to evaluate uses for Summer Nuclear Units 2 and 3 and related assets.
- The Authority has issued an RFP (the “2025 Nuclear RFP”) soliciting proposals from parties interested in acquiring one or both of Summer Nuclear Units 2 and 3 and the related assets, completing one or both units or pursuing alternative uses of the equipment and/or the site.
- Responses to the 2025 Nuclear RFP are currently expected to be due on May 5, 2025, after which the Authority may select one or more qualified respondents to participate in the next phase of the RFP process.
- The acceptance of any proposal submitted to the 2025 Nuclear RFP is subject to approval of the Board and may be subject to regulatory oversight and other required approvals.
- The Authority is unable to predict the outcome of this RFP process, including whether any proposal will be accepted or any transaction ultimately consummated.



Key Contacts

The Authority



Faith Williams
Manager, Debt Management & Investor Relations
(843) 761-8000 Ext 4987
faith.williams@santeecooper.com

PFM – Financial Advisor



Michael Mace
Senior Director

(917) 318-7869
macem@pfm.com

www.santeecooper.com/about/investors