

MEETING OF THE FINANCE COMMITTEE
WAMPEE CONFERENCE CENTER
PINOPOLIS, SOUTH CAROLINA
MONDAY, DECEMBER 10, 2018 – 10:30 A.M.

Committee Members Present: Chairman Barry D. Wynn (via telephone), Directors Kristofer Clark, William A. Finn, J. Calhoun Land IV, Charles H. Leaird, Dan J. Ray, David F. Singleton, and Board Chairman Charlie M. Condon ex officio

Other Directors Present: Merrell W. Floyd, Stephen H. Mudge, and Peggy H. Pinnell

Staff Members Present: James E. Brogdon, Jr., Interim President and Chief Executive Officer; Marc R. Tye, Executive Vice President & Chief Operating Officer; Jeffrey D. Armfield, Senior Vice President & Chief Financial Officer; J. Michael Baxley, Senior Vice President & General Counsel; Pamela J. Williams, Senior Vice President, Corporate Services; Dominick G. Maddalone, Senior Vice President, Information Systems & CIO; Michael Crosby, Senior Vice President, Nuclear Energy; Arnold Singleton, Senior Vice President, Power Supply; Richard S. Kizer, Vice President, Public Affairs; Elizabeth H. Warner, Vice President, Legal Services & Corporate Secretary; James M. Poston, Vice President, Retail Operations; Kenneth W. Lott, Vice President, Human Resources; Monique Washington, General Auditor; Rahul H. Dembla, Vice President, Planning and Pricing; Suzanne Ritter, Vice President and Controller; Sam Bennett, Vice President, Administration; Stephen H. Pelcher, Deputy General Counsel-Nuclear & Regulatory Compliance; Jim D. Rabon, Manager, Conservation and Energy Efficiency and Sandra R. Starks, Assistant Corporate Secretary.

Also in attendance were Rob Hochstetler and Jim Lamb, Central Electric Power Cooperative; James P. Howle, Horry Electric Cooperative; Dwayne Cartwright, Mark Gaddy, Kim Mims, Joel Stevens and Tony Vincent, Berkeley Electric Cooperative; Douglas A. Reeves, Edisto Electric Cooperative; J. David Wasson, Laurens Electric Cooperative; Larry Hinz, Coastal Electric Cooperative; Rob Ardis, Santee Electric Cooperative; Thomas Limehouse, Governor's Office; Mike Couick, the Electric Cooperatives of SC; Dennis Boyd, Nucor; and Attorney Robert R. Smith, II, representing Nucor and Art Nichols.

An agenda, including the time, date and location of the meeting, was posted on Santee Cooper's website and in the Santee Cooper lobby on Thursday, December 6, 2018. The agenda was emailed to all outlets on the media list and to those who requested notice of the meeting on Thursday, December 6, 2018.

Director Ray presided, and Ms. Starks kept the minutes.

Upon motion made by Director Land, seconded by Director Clark, the Committee voted unanimously to waive reading of the minutes of the June 25, 2018 Finance Committee meeting and adopted the minutes as submitted.

Mr. Dembla gave a presentation entitled "Budget Analysis 2019-2021" (Exhibit FIN 12-1-18). The presentation included information about the assumptions, the electric system analysis, the water system analysis, and the combined systems analysis. The 2019 total budget is \$2.1 billion and includes \$1.7 billion for the electric system, \$9.9 million for the water systems and \$296.9 million for capital expenditures. Mr. Dembla recommended approval of the resolution entitled "Budget Approval Calendar Years 2019, 2020 & 2021" (Exhibit FIN 12-2-18).

Upon motion by Director Singleton, seconded by Director Finn, the Committee voted unanimously to recommend the attached resolution entitled "Budget Approval Calendar Years 2019, 2020 & 2021" (Exhibit FIN 12-2-18) to the full Board for approval.

Mr. Armfield provided information about a projected exceedance of the capital and non-fuel O&M (NFOM) budgets based on 2018 year-end projections. He recommended approval of the resolution entitled "2018 Budget Revision" (Exhibit FIN 12-3-18).

Upon motion by Director Singleton, seconded by Director Clark, the Committee voted unanimously to recommend the attached resolution entitled "2018 Budget Revision" (Exhibit FIN 12-3-18) to the full Board for approval.

Mr. Armfield provided information regarding compliance with GASB 75-Recognition of OPEB Liabilities (Exhibit FIN 12-4-18).

Mr. Bennett gave a presentation entitled Celebrate The Season program (Exhibit FIN 12-5-18). Mr. Bennett recommended to the Committee that it adopt a resolution providing for distribution of the proceeds of the program.

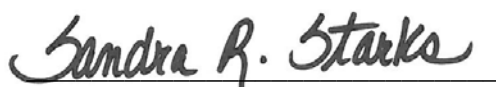
Upon motion by Director Land, seconded by Director Singleton, the Committee voted unanimously to recommend the attached resolution entitled "Celebrate The Season" (Exhibit FIN 12-6-18) to the full Board for approval.

Mr. Rabon gave a presentation entitled "Distributed Energy Resource Program Revisions" (Exhibit FIN 12-7-18) and recommended approval of a resolution entitled "Modified Distributed Energy Resource Program" (Exhibit FIN 12-8-18).

Upon motion by Director Land, seconded by Director Finn, the Committee voted unanimously to recommend the attached resolution entitled "Modified Distributed Energy Resource Program" (Exhibit FIN 12-8-18) to the full Board for approval.

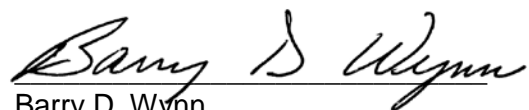
There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,



Sandra R. Starks
Assistant Corporate Secretary

Approved:



Barry D. Wynn
Chairman