

Summary of Rate Revisions

2027 and 2028 Retail Rate Adjustment Process

September 2026

Rate Study Process Update



On May 1, 2026, the Board established a process and schedule for public comments and directed management to provide notice of the Proposed Rates to customers.



From May 1, 2026 through August 31, 2026, Santee Cooper management and Board received written comments, met with customers, and held public comment meetings to solicit feedback on the proposed rates.



The presentation today provides a summary of the revisions that management has made to proposed rates as a result of customer comments and Board feedback.

Board Feedback & Proposed Revisions



Develop a peak alert notification vehicle for residential customers

Revision:

Development of a peak day alert notification is underway with a target date to coincide with launch of new rates.*



Evaluate and expand support programs for energy burdened customers

Revision:

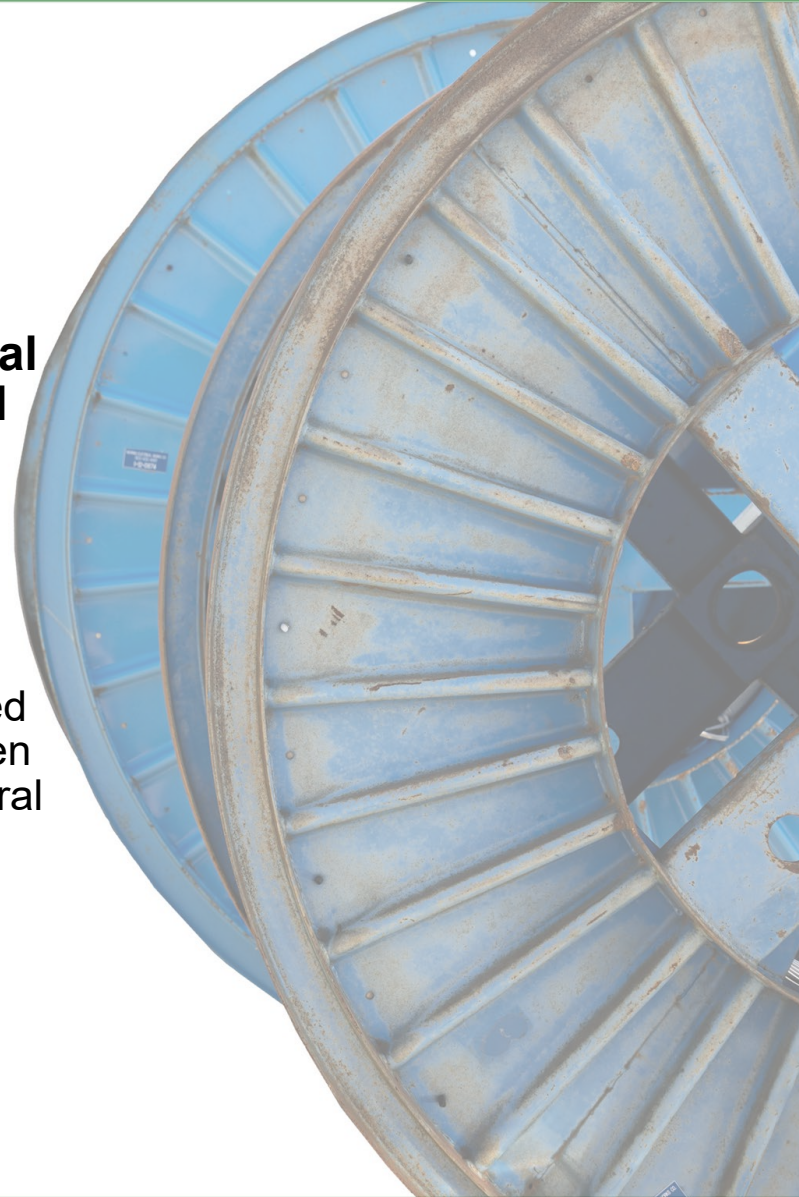
Work is underway to include additional funding for support programs in the current budget cycle. More information will be provided as the 2027 Budget development concludes.*



Analyze the potential exclusion of federal holidays from peak pricing

Revision:

Analysis has been completed and Balanced Demand Billing has been revised to exclude federal holidays from the peak period calculation.

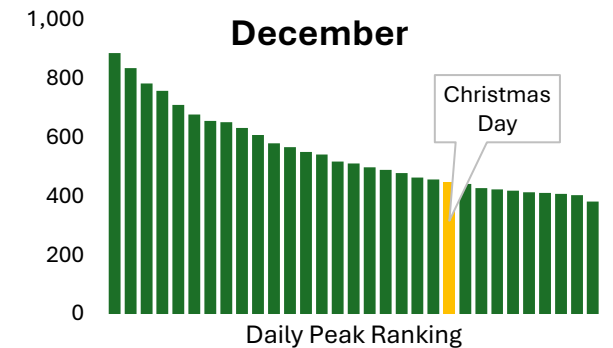
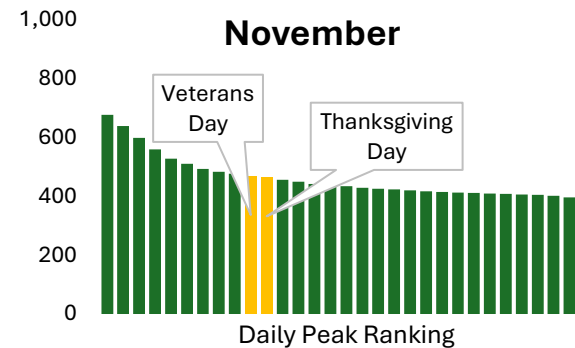
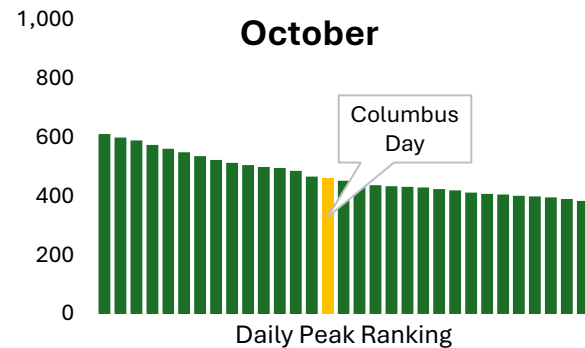
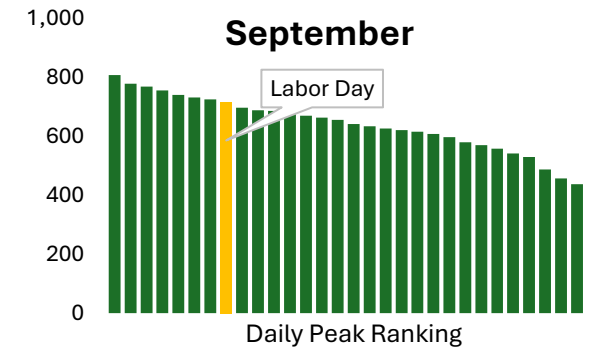
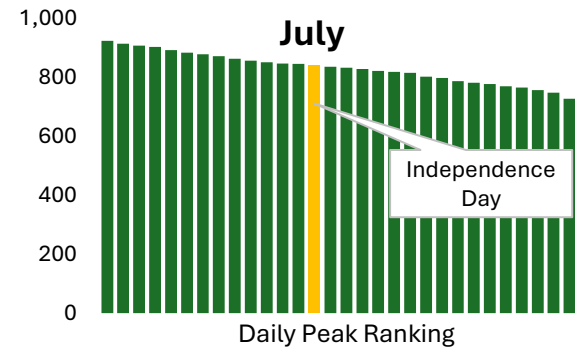
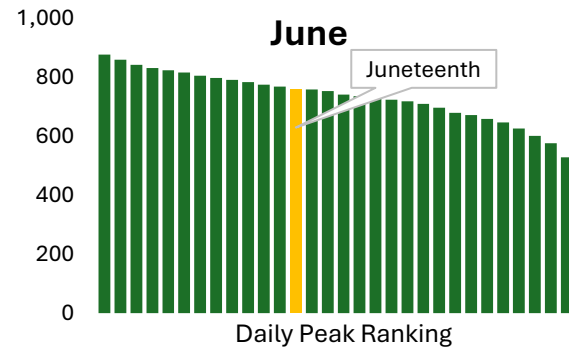
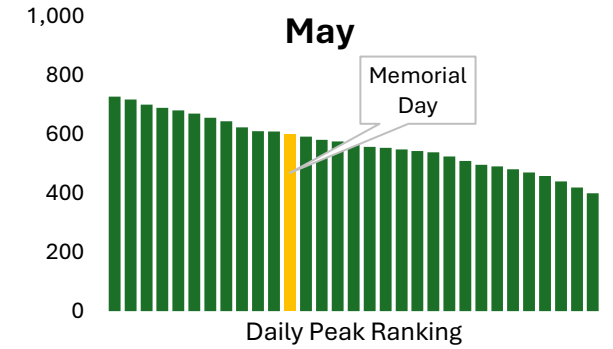
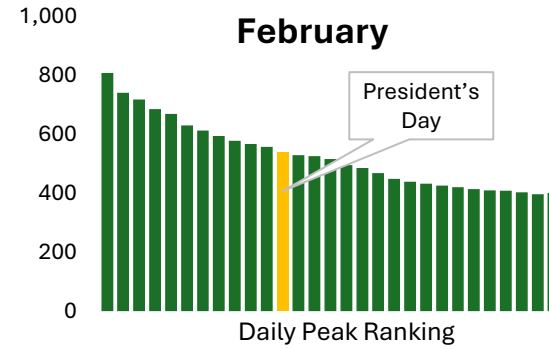
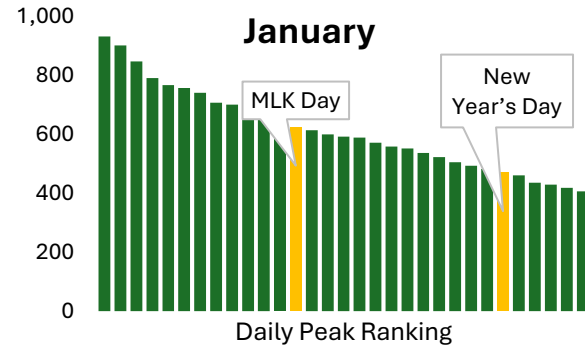


*Does not require a change to rate schedules

Federal Holiday Impact



Federal holidays do not drive Santee Cooper's monthly peak



Federal Holiday Impact



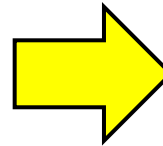
- Analysis shows that historically we have experienced system peaks on holidays roughly 2% of the time
- Holiday peak demand tends to rank toward the middle of the month
- ***Revised rates exclude 11 federal holidays from RG, REV, EVO and GA Balanced Demand Billing***

Federal Holiday	Date	Daily Peak Ranking
New Year's Day	January 1	25.6
Martin Luther King Day	Third Monday in January	12.8
President's Day	Third Monday in February	12.4
Memorial Day	Last Monday in May	12.4
Juneteenth	June 19	13.0
Independence Day	July 4	13.8
Labor Day	First Monday in September	6.6
Columbus Day	Second Monday in October	14.6
Veterans Day	November 11	9.8
Thanksgiving Day	Fourth Thursday in November	11.0
Christmas Day	December 25	21.8

High Impact Load Revisions

- Simplification of Collateral Chart
 - No change to total collateral required

Guarantor's Credit Rating		Letter of Credit or Cash Collateral	Parental Guaranty
Moody's	S&P or Fitch	Minimum %	Maximum %
Aaa	AAA	50%	50%
Aa1 tot Aa3	AA+ to AA-	60%	40%
A1 to A2	A+ to A	70%	30%
A3	A-	80%	20%
Baa1 to Baa3	BBB+ to BBB-	90%	10%
Ba1 or lower	BB+	100%	0%
No Credit Rating		100%	0%



Guarantor's Credit Rating		Letter of Credit or Cash Collateral	Parental Guaranty
Moody's	S&P or Fitch	Minimum %	Maximum %
Aaa to A3	AAA to A-	0%	100%
Baa1 or lower	BBB+ or lower	100%	0%
No Credit Rating		100%	0%

Santee Cooper may reduce allowable parental guaranty for A rated customers, based on individual customer circumstances

- Credit rating determined using middle rating convention
- Clarify curtailment provisions

Summary



- Management has revised several rate schedules proposed on May 1 in response to customer comments and Board direction
- Additionally, management continues to evaluate several feedback-related items that do not require rate schedule changes
- ***Next Steps: Board Review and October 30 Board Vote on Proposed Rates***

Rate Schedule Changes

Exclude Federal Holidays from residential and small commercial demand

Simplify High Impact Load credit matrix & clarify curtailment

Clarify Demand Sales Adjustment language

Revise non-firm failure to curtail penalty language

Other Considerations

Develop peak notification system

Increase budgeted funding for energy burdened customers

Explore custom fuel hedging for industrial customers

Thank you



ALWAYS DELIVER



TAKE THE LEAD



POWER WHAT'S NEXT