

THIS IS NOT A CONTRACT OF EMPLOYMENT. EMPLOYMENT REMAINS AT-WILL, AND YOU OR SANTEE COOPER MAY END THE EMPLOYMENT RELATIONSHIP WITH OR WITHOUT CAUSE, FOR ANY REASON OR FOR NO REASON, WITH OR WITHOUT NOTICE.

CODE OF ETHICS

Santee Cooper's reputation for integrity is highly valued by its employees, its board of directors and the people of South Carolina. Preserving this reputation demands a continuing and constant diligence by each and every employee. Employees must avoid any behavior or relationship which might reflect negatively on Santee Cooper, whether the result of personal conduct, a possible conflict of interest or other activity detrimental to this image. As a state-owned utility, the company is held accountable to the citizens of the state and as such, operates under public scrutiny.

Santee Cooper is an association of individuals who come together to provide an important public service. Employees must conduct themselves in such a way that acknowledges that mission.

Established business ethics are in place for each employee and thorough adherence to those ethics will ultimately determine the success of the company. How employees do their job is equally important as what they do.

This Code of Ethics applies to all Santee Cooper employees. Each employee is expected to adhere to Santee Cooper's aims and meet these requirements. Many of the topics covered in this Code of Ethics are also covered in greater detail in Santee Cooper's Corporate Procedures. The Corporate Procedures are posted on Santee Cooper's Intranet Web site and are also available from supervisors. This Code of Ethics does not replace any other policy or procedure and should be considered an addition to those procedures.

The Code contains six major elements:

Honesty and Fair Dealing

Employees are expected to deal fairly, reasonably, consistently and honestly with fellow employees, customers, suppliers and the general public, and provide due respect to the personal dignity and rights of those they encounter. Employees should act knowing that, to all contacts, they represent Santee Cooper.

Conflicts of Interest and Corporate Opportunity

Employees must avoid any conflict, or the appearance of a conflict, between their own interest and the interest of Santee Cooper. Conflicts may arise when dealing with competitors, suppliers, customers, bondholders, and all other organizations or individuals doing or seeking to do business with Santee Cooper. Santee Cooper's Conflict of Interest policy 2-23 governs these relationships. Employees must be familiar with this policy and abide by its terms.

Confidentiality

During the course of employment, Santee Cooper employees may have access to confidential information regarding Santee Cooper, its employees, customers and vendors. Examples include information about Santee Cooper's internal operations and business affairs, personnel information such as medical records, discipline and internal investigations and proprietary information belonging to customers or vendors. Employees are responsible for the security of such information. It should be used for the purpose of internal operations only and not discussed with those outside the company unless authorized.

Protection and Proper use of Company Assets

Employees are expected to protect Santee Cooper's assets and use them only for their intended business purposes. Company assets include both physical property— such as machines, vehicles, equipment, supplies and records, as well as intellectual property—such as patents, copyrights and trademarks. Theft or intentional misuse of Santee Cooper assets will not be tolerated.

Employees must comply with Santee Cooper policies regarding use of information technology. Information which may adversely affect Santee Cooper should not be downloaded or transmitted on Santee Cooper equipment, voice mail or e-mail. Inappropriate materials may include statements, graphics or images which are defamatory, racial, sexual or otherwise offensive or prohibited by law.

All information stored on Santee Cooper equipment, including e-mail, is considered company property and is subject to review. Such documents and information may be subject to release under the South Carolina Freedom of Information Act.

Corporate Records and Disclosure

Company records must be kept in accordance with legal requirements and with Santee Cooper's records retention policy. Employees must record transactions in a timely and accurate manner and comply with Santee Cooper's system for internal accounting controls. Employees should never take any action that would knowingly or unknowingly mislead Santee Cooper's external auditing firm. Santee Cooper requires that any information provided to the public contain full, fair, accurate, timely and understandable disclosure.

Legal Compliance

Santee Cooper and its employees are subject to many different laws, rules and regulations. In addition, Santee Cooper has developed policies and procedures to assist in compliance. Employees are expected to comply fully with applicable legal requirements as well as the company's principles and policies to assure the highest standards of quality, efficiency and safety are met.

Reporting Violations

Employees are expected to report violations of this Code of Ethics. Employees should first make a report to his or her supervisor, who will then report it through the chain of command. If employees are not comfortable with that approach, or if employees believe their concern is improperly or inadequately considered, they may report it to Santee Cooper's Chief Legal Officer, Chief Executive Officer or Manager of Law Enforcement and Security. Also refer to Reporting and Investigating Suspected Wrongful Acts policy 2-23 and Reporting and Investigating Questionable Accounting Practices policy 2-05.

Third parties who are not Santee Cooper employees may report violations to Santee Cooper's Chief Legal Officer or Internal Auditor:

Santee Cooper
One Riverwood Drive
P.O. 2946101
Moncks Corner, SC 29461
(843) 761-8000

Santee Cooper will not retaliate against any employee for good faith reports of ethical violations or misconduct of others. Employees who violate this Code of Ethics will be subject to corrective action, up to and including termination.