

July 31, 2020

AUTHORIZING IMPLEMENTATION OF SETTLEMENT
INCLUDING RATE FREEZE FOR COOK & OTHER
V.C. SUMMER LITIGATION OR CLAIMS

Adopted

Rejected

Postponed

R E S O L U T I O N

WHEREAS, On March 12, 2020, the Board of Directors (the "Board") of the South Carolina Public Service Authority (the "Authority"), by Resolution, authorized the settlement of various class action complaints naming the Authority and certain current and former Directors and current and former employees, including *Cook v. Santee Cooper et al.*, case no. 2019-CP-23-06675 (Greenville) ("*Cook*") and *Glibowski v. SCANA Corp. et al.*, case no. 9:18-273-TLW (U.S. District Court for the District of South Carolina) ("*Customer Settlement Agreement*"); and

WHEREAS, On March 17, 2020, the Authority executed the Customer Settlement Agreement; and

WHEREAS, The Customer Settlement Agreement has two primary forms of relief for the Class: (1) establishment of a Common Benefit Fund (Agreement, Part IV.A), and (2) implementation of a rate freeze (Agreement, Part IV.B) ("*Rate Freeze*"); and

WHEREAS, The Authority's management and staff have planned for implementation of the Common Benefit Fund and Rate Freeze in accordance with the terms of the Customer Settlement Agreement and its other legal obligations; and

WHEREAS, The Board received and considered information about the proposed implementation of the Rate Freeze during its June 22, 2020 meeting; and

WHEREAS, On July 20, 2020, the Honorable Jean H. Toal finally approved the settlement and found that the Rate Freeze complies with the Customer Settlement Agreement and existing laws, including the Authority's Enabling Act, S.C. Code Ann. §§ 58-31-10 *et seq.*, and Class Members were appropriately notified of the Rate Freeze; and

WHEREAS, After taking into account, among other things, the Authority's Reform Plan dated January 3, 2020, the Authority's payment obligations for the Common Benefit Fund, and projected impacts of the Rate Freeze, the Authority reasonably expects to be able to comply with all of its obligations under the law and the Authority's Master Revenue Obligation Resolution, adopted on April 26, 1999, as supplemented and amended, during the Rate Freeze period; and

WHEREAS, Upon the recommendation of management of the Authority, and in reliance upon the opinions and information presented to it as summarized herein following a review of the same, and having disclosed its conflict of interest pursuant to S.C. Code Ann. § 58-31-56, the Board has determined the plans for implementing the Customer Settlement Agreement are fair and reasonable to the Authority and its customers, including Central Electric Power Cooperative, Inc. ("Central"); and

WHEREAS, The Board has considered and appropriately balanced the factors set forth in S.C. Code Ann. § 58-31-55(A)(3) and determined the implementation of the Customer Settlement Agreement, as authorized by this Resolution, is in the best interests of the Authority; and now, therefore, be it

RESOLVED, The Rate Freeze shall be implemented as preliminarily approved by the Court and agreed in the Customer Settlement Agreement executed on March 17, 2020, and as finally approved by the Court on July 20, 2020; and

RESOLVED, The Rate Freeze will be effective (i) for direct-served customers, other than Central, subject to the frozen rates for all bills rendered on or after August 16, 2020, through all bills rendered on or before January 15, 2025 and (ii) for Central, the Rate Freeze for service rendered on or after August 1, 2020, through service rendered on or before December 31, 2024 (collectively, the "Rate Freeze Period"); and

RESOLVED, The Rate Freeze shall be implemented with respect to the Authority's residential, commercial, lighting, and industrial customers by computing charges throughout the Rate Freeze period using rates and charges set forth in the Authority's following rate schedules: RG-17, RT-17, GA-17, GB-17, GV-17, GT-17, GL-17, TP-17, TA-17, TL-17, MS-17, OL-17, L-17, L-17-I, and L-17-EP-O. The fuel, demand sales, and economic development sales adjustment clauses of the foregoing rate schedules are hereby suspended from adjusting during the Rate Freeze Period, and adjustment values are frozen at the amounts specified in Schedule B of the Customer Settlement Agreement (attached hereto as Attachment A) for the Rate Freeze Period; and

RESOLVED, The fuel adjustment clause of the Authority's municipal customers whose rates are based on the Municipal Light and Power rate is hereby suspended from adjustment during the Rate Freeze Period, and the Rate Freeze shall be applied to these customers by applying the fuel adjustment clause referenced in the rate schedule using levels set forth for the Schedule L-17 rate in Schedule B of the Customer Settlement Agreement; provided however, the Authority is permitted to participate in competitive bidding processes to retain its contracts with municipal customers upon their expiration; and

RESOLVED, The Rate Freeze shall be implemented with respect to Central by computing charges throughout the Rate Freeze Period using rates and charges set forth in Schedule A (attached hereto as Attachment B), of the Customer Settlement Agreement; and

RESOLVED, Following the Court's entry of a Final Approval Order of the settlement, the President and CEO of the Authority, or his designee, is authorized to pay the installments to the Common Benefit Fund on or by September 30 of each year, as specified in the Customer Settlement Agreement; and

RESOLVED, The President and CEO of the Authority, or his designee, is authorized to take such further actions and execute such further agreements or instruments as may be necessary to carry out the foregoing Resolution.

Attachment A

Reform Plan Monthly Credits

2/28/2020

Schedule RG, RT, GA, GB, GV, GT, GL, TP, TA, TL, MS, OL

Fuel Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.01371	-0.01264	-0.01191	-0.01182	-0.01133	-0.01096	-0.01070	-0.01092	-0.01102	-0.01103	-0.01222	-0.01305
2021	-0.01291	-0.01174	-0.01126	-0.01135	-0.01285	-0.01368	-0.01354	-0.01210	-0.01136	-0.01175	-0.01205	-0.01246
2022	-0.01241	-0.01253	-0.01261	-0.01300	-0.01373	-0.01418	-0.01381	-0.01290	-0.01243	-0.01269	-0.01389	-0.01493
2023	-0.01468	-0.01355	-0.01279	-0.01286	-0.01338	-0.01336	-0.01316	-0.01263	-0.01250	-0.01259	-0.01366	-0.01484
2024	-0.01475	-0.01349	-0.01265	-0.01284	-0.01334	-0.01407	-0.01377	-0.01327	-0.01255	-0.01274	-0.01296	-0.01363

Demand Sales Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214	-0.00214
2021	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209	-0.00209
2022	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212	-0.00212
2023	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215	-0.00215
2024	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183	-0.00183

Economic Development Sales Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020	-0.00020
2021	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2023	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2024	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

Attachment A

Reform Plan Monthly Credits

2/28/2020

Schedule L-17

Fuel Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.01310	-0.01209	-0.01139	-0.01130	-0.01083	-0.01048	-0.01023	-0.01044	-0.01054	-0.01055	-0.01168	-0.01248
2021	-0.01235	-0.01123	-0.01076	-0.01085	-0.01229	-0.01308	-0.01294	-0.01157	-0.01086	-0.01124	-0.01152	-0.01191
2022	-0.01186	-0.01198	-0.01206	-0.01243	-0.01313	-0.01356	-0.01320	-0.01233	-0.01189	-0.01213	-0.01328	-0.01427
2023	-0.01403	-0.01295	-0.01223	-0.01230	-0.01279	-0.01277	-0.01258	-0.01208	-0.01195	-0.01204	-0.01306	-0.01418
2024	-0.01410	-0.01289	-0.01210	-0.01227	-0.01276	-0.01345	-0.01316	-0.01269	-0.01199	-0.01218	-0.01239	-0.01303

Demand Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059	-0.84059
2021	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839	-0.81839
2022	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523	-0.82523
2023	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887	-0.82887
2024	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736	-0.71736

Economic Development Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483
2021	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2023	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2024	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

Attachment A

Reform Plan Monthly Credits

2/28/2020

Schedule L-17-I

Fuel Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.01310	-0.01209	-0.01139	-0.01130	-0.01083	-0.01048	-0.01023	-0.01044	-0.01054	-0.01055	-0.01168	-0.01248
2021	-0.01235	-0.01123	-0.01076	-0.01085	-0.01229	-0.01308	-0.01294	-0.01157	-0.01086	-0.01124	-0.01152	-0.01191
2022	-0.01186	-0.01198	-0.01206	-0.01243	-0.01313	-0.01356	-0.01320	-0.01233	-0.01189	-0.01213	-0.01328	-0.01427
2023	-0.01403	-0.01295	-0.01223	-0.01230	-0.01279	-0.01277	-0.01258	-0.01208	-0.01195	-0.01204	-0.01306	-0.01418
2024	-0.01410	-0.01289	-0.01210	-0.01227	-0.01276	-0.01345	-0.01316	-0.01269	-0.01199	-0.01218	-0.01239	-0.01303

Demand Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168	0.40168
2021	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138	0.42138
2022	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332	0.41332
2023	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829	0.40829
2024	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722	0.50722

Economic Development Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483	-0.06483
2021	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2023	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2024	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

Attachment A

Reform Plan Monthly Credits

2/28/2020

Schedule L-17-EP-O

Fuel Adjustment (\$/kWh)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	-0.01310	-0.01209	-0.01139	-0.01130	-0.01083	-0.01048	-0.01023	-0.01044	-0.01054	-0.01055	-0.01168	-0.01248
2021	-0.01235	-0.01123	-0.01076	-0.01085	-0.01229	-0.01308	-0.01294	-0.01157	-0.01086	-0.01124	-0.01152	-0.01191
2022	-0.01186	-0.01198	-0.01206	-0.01243	-0.01313	-0.01356	-0.01320	-0.01233	-0.01189	-0.01213	-0.01328	-0.01427
2023	-0.01403	-0.01295	-0.01223	-0.01230	-0.01279	-0.01277	-0.01258	-0.01208	-0.01195	-0.01204	-0.01306	-0.01418
2024	-0.01410	-0.01289	-0.01210	-0.01227	-0.01276	-0.01345	-0.01316	-0.01269	-0.01199	-0.01218	-0.01239	-0.01303

Demand Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2021	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2023	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2024	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Economic Development Sales Adjustment (\$/kW-month)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2021	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2023	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2024	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Attachment B

Schedule A

Consistent with the cost information provided in the Reform Plan and projected load, Santee Cooper's charges under the Amended and Restated Power Systems Coordination and Integration Agreement, as amended, between Central and Santee Cooper, for Central's Supplemental Power and Energy Requirements, shall be fixed for each of the following rate components in the following amounts for the years set forth below:

Rate Component	2020	2021	2022	2023	2024
Supplemental Capacity Cost Rate (per kW-month)	8.76	8.68	8.83	8.61	8.55
Supplemental Energy-Related Fixed Cost Rate (per MWh)	15.88	15.33	15.31	15.12	14.83
Supplemental Non-Fuel Variable Cost Rate (per MWh)	5.04	5.67	4.86	4.79	4.63
Transmission Service Rate (per kW-month)	2.74	2.80	2.89	2.94	2.96
Delivery Service Charge (per year) (whole dollars)	\$2,398,000	\$2,494,000	\$2,488,000	\$2,514,000	\$2,527,000

Attachment B

Monthly Supplemental Fuel Cost Rate (per MWh)	Jan	Feb	March	April	May	June	July	Aug	Sep	Oct	Nov	Dec
2020	26.39	25.76	24.81	28.16	26.62	25.45	26.80	26.19	25.34	23.30	24.23	25.89
2021	26.81	25.81	25.44	22.15	23.62	25.74	26.47	25.95	24.21	25.84	24.98	24.58
2022	25.33	24.80	23.40	23.42	23.68	24.42	25.78	25.05	23.35	22.24	22.54	24.24
2023	25.54	24.97	23.77	24.09	25.01	24.26	25.40	25.23	23.82	22.17	22.33	24.24
2024	25.85	25.07	23.42	24.51	23.06	24.23	25.49	25.28	23.37	25.21	23.54	24.37