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South Carolina Public Service Authority,  
Santee Cooper

TRANSCRIPT  
OF  
PROPOSED RATE ADJUSTMENT  
PUBLIC COMMENT MEETING

Date: August 26, 2024

Time: 6:00 p.m.

Location: South Carolina Public Service Authority  
(Santee Cooper), 1 Riverwood Drive, Moncks Corner, South  
Carolina

Reported by  
Breanna Sharper

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APPEARANCES

Presiding: Vicky Budreau, Chief Customer Officer

Board Members:

Charles 'Sam' Bennett, First District  
Stacy Taylor, Second District  
Kristofer Clark, Third District  
Charles Dalton, Fourth District  
Alyssa Richardson, Sixth District  
Stephen Mudge, At-Large  
Dan Ray, Georgetown County  
David Singleton, Horry County  
John West, Berkeley County

Executive Team:

Jimmy Staton, President and CEO  
Pamela Williams, Chief Public Affairs Officer  
and General Counsel  
Monique Washington, Chief Audit and Risk Officer  
Ken Lott, Chief Financial and Administrative Officer  
Marty Watson, Chief Commercial Officer  
Mike Finissi, Chief Operating Officer

Also Present:

Management, Staff, & Outside Counsel:

Nicole Aiello, Manager-Corporate Communications  
Stephanie Burgess, Sr. Manager-Retail Services & Customer Exp.  
John Calhoun, Financial Analyst III  
Nanette Edwards, Partner-Burr Forman  
Shawan Gillians, Director Sustainability &  
Associate General Counsel  
Mollie Gore, Director-Corporate Communication & External Affairs  
Traci Grant, Director-Inclusive Strategies & Corporate Sec.  
Tracey Green, Partner, Burr Forman  
Jake Grill, Special Agent III  
Jack Grooms, Financial Analyst III  
Bryan Lewis, Director-Customer Service Retail  
Jaime Linen, Special Agent III  
William McCall, Economic Development &  
Local Government Spec.III  
George Megre, Financial Analyst III  
Jonathan Mims, Senior Network Analyst  
Devin Ritter, Manager-Pricing  
Edwina Roseboro-Barns, Director-Human Resources  
Ken Sandiford, Manager-Retail Office  
Mike Smith, Director-Billing & Pricing  
Megan Thompson, Supervisor-Customer Service

1 Jimmy Timmons, Network Analys II  
2 Tracy Vreeland, Public Relation Specialist III  
3 Windy White, Customer Service Representative III  
4 Lindsey Whitney, Attorney III

5

6 ORS Representative(s): Ben Mustian, Chief of Legal  
7 Affairs and Strategic Communications

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PROCEEDINGS

HEARING OFFICER BUDREAU: Okay. At this time, I'd like to call the Public Comment Meeting to order. I'd like to welcome all the guests that are in the room, all of our customers. I see a lot of our employees, as well as ORS representatives. So I'm Vicky Budreau. I'm the Chief Customer Officer. And at this point, I'd like to ask everybody to stand and do the Pledge of Allegiance.

(Multiple voices heard reciting the Pledge of Allegiance.)

HEARING OFFICER BUDREAU: Thank you. Thank you. At this point, I'd like to introduce Jimmy Staton -- he's our President and CEO -- just to say a few words.

MR. STATON: Okay. I just wanted to -- to welcome all of you-all to -- to Santee Cooper's headquarters. We appreciate the opportunity that we have had for 90 years to be able to serve you-all and -- and the other customers that we have around the state. Tonight is an opportunity for -- for you-all to share your thoughts about Santee Cooper's first base rate change since 2017. And we

1 want -- we welcome your comments. We -- we  
2 appreciate the opportunity for you-all to --  
3 to provide comments. The Board is very  
4 engaged, very interested, in hearing from you  
5 tonight, and so we look forward to it. Again,  
6 I just want to say welcome, and welcome to  
7 this incredibly transparent process that  
8 Santee Cooper's put together for you. So  
9 thank you all, and welcome. Back to Vicky.

10 HEARING OFFICER BUDREAU: Okay. Thank you.

11 So today's meeting agenda is as follows:

12 We'll -- first we'll make some introductions,  
13 and then we're going to give an overview of  
14 the retail rate process and the need for the  
15 rate adjustment that we're proposing. And  
16 then we'll move into the public comment period  
17 portion of the meeting, beginning with an  
18 overview of the process, and then opening it  
19 up for public comments.

20 For the record, the notice of the  
21 proposed rate adjustment in this meeting  
22 complies with FOIA and South Carolina Code  
23 Section 58-31-710. The notice was provided on  
24 June 10th, 2024, via first-class mail or  
25 electronically to our customers. The notice

1 was also provided via the press, news release,  
2 and on Santee Cooper's website. The notice of  
3 this meeting was posted online and provided to  
4 the media 24 hours in advance.

5 So let's do some introductions here.  
6 First, I'd like to start with the members of  
7 our board: So we have Director Charles  
8 Bennett, 'Sam' Bennett, representing the first  
9 district; Director Kristofer Clark,  
10 representing the third district; Director  
11 Charles Dalton, representing the fourth  
12 district; Director Steve Mudge, who is an at-  
13 large director; Director Dan Ray, representing  
14 Georgetown County; Director Alyssa Richardson,  
15 representing the sixth district; Director  
16 David Singleton, representing Horry County;  
17 Director Stacy Taylor, representing the second  
18 district; and finally, Director John West,  
19 representing Berkeley County.

20 We also have up here on the panel with  
21 me, available for questions -- so we have  
22 Pamela Williams, who is our Chief Public  
23 Affairs Officer and General Counsel, and then  
24 we have Mike Smith, who is our Director of  
25 Billing and Pricing.

1           So we also have some other members of our  
2           executive staff on hand tonight. So we have  
3           Monique Washington, who is our Chief Audit and  
4           Risk Officer; Ken Lott, our Chief Financial  
5           and Administrative Officer; Marty Watson, our  
6           Chief Commercial Officer; and then Mike  
7           Finissi, who is our Chief Operating Officer.

8                   I'd also like to note that we have  
9           representation from the Office of Regulatory  
10          Staff here tonight. Thank you for being here  
11          with us.

12                   So the purpose -- this is a public  
13          meeting and a court reporter is present and  
14          will transcribe the meeting to create a public  
15          record. This transcript will be provided to  
16          the Board prior to its consideration and vote  
17          on the proposed rate adjustment. The purpose  
18          of this public meeting is to provide an  
19          overview of Santee Cooper's proposed rate  
20          adjustment and receive information from you,  
21          our customers, relating to the proposed rate  
22          adjustments. We are looking forward to  
23          hearing your comments.

24                   We are only receiving information in this  
25          proceeding related with respect to the

1 proposed rate adjustment. So if you have  
2 questions about your existing account, Santee  
3 Cooper has customer service representatives  
4 present here tonight to assist you with that.  
5 With regard to the proposed rate adjustments,  
6 there'll be no deliberations today. There'll  
7 be no decisions made today, and no votes will  
8 be taken today.

9 So before we begin taking public comment,  
10 we have a brief overview of the process and  
11 the need for the proposed rate adjustments.  
12 I'm going to turn it over to Mike Smith to  
13 provide that overview.

14 MR. SMITH: Thank you very much, Vicky.

15 Again, my name is Mike Smith, I'm Director of  
16 Billing and Pricing here at Santee Cooper.  
17 It's my pleasure to welcome you here today to  
18 Santee Cooper headquarters.

19 My purpose tonight is threefold. First,  
20 it's to describe the purpose behind the rate  
21 adjustments that are proposed. Second, we'll  
22 discuss some of the changes that we made and  
23 the reasoning behind those changes. And then,  
24 finally, I'll talk about the timeline and the  
25 things that are to come, and the entire



1           deliberation process that we'll go through as  
2           a group before we actually get to rate  
3           approval.

4                   What I'll be using as we walk through  
5           this today is the handout that you received  
6           when you came in the room. So please  
7           reference that. I call this the "logo side"  
8           because it has the Santee Cooper logo in the  
9           upper right-hand corner. This is the non-logo  
10          side. I'd like for you to go to the back, the  
11          non-logo side, and right in the center it  
12          says, "Why is Santee Cooper Proposing These  
13          Changes? Inflation has outgrown our ability  
14          to manage it, and revenues from current rates  
15          will not cover our expenses in 2025." That's  
16          the first reason, and in reality, that is the  
17          most important reason, because inflation, as  
18          you know, has been a bear for our economy.

19                   As a matter of fact, when you look back  
20          to April of 2017, the last time that we  
21          modified our rates, and go all the way through  
22          the end of 2023, inflation increased by 25  
23          percent, which is a significant amount.

24                   Additionally, we at Santee Cooper felt  
25          the impacts of inflation, as well, in many

1 different ways, but no more so than the  
2 inflation that impacted our primary components  
3 here: steel and iron. When you look at the  
4 inflation associated with those items, it was  
5 about 56 percent, all the way up to 100  
6 percent in some cases for some components. A  
7 significant amount of inflation is causing us  
8 to have to increase our rates.

9 Next, we need to invest in our electric  
10 system to maintain high reliability of the  
11 system and to comply with new regulations  
12 related to the environment, grid operations,  
13 and security. The cost of doing business as  
14 an electric utility has increased since the  
15 last time that we adjusted our rates back in  
16 2017. On a per unit basis, it increased a  
17 significant amount. It's important for us to  
18 be able to raise our rates, to adjust our  
19 rates effectively, to go ahead and meet the  
20 needs that are associated with our business.

21 So we realize the need and recognize the  
22 need to raise our rates, to adjust our rates.  
23 We also recognize the need to invest in our  
24 system, but we want to mitigate that as much  
25 as possible for our customers. And also, we

1 want to make sure that we can minimize the  
2 impact on the entire system.

3 One way we've chosen to do that is by  
4 adjusting our residential general service  
5 rate. We changed that to what's called a  
6 three-part rate, which is, in fact, exactly  
7 what it sounds like; it's a three-part rate.  
8 Whereas a typical rate is a two-part rate,  
9 simply of a customer charge and an energy  
10 charge, our three-part rate will have a  
11 customer charge, energy charge, and a demand  
12 charge.

13 If you look on the handout on the logo  
14 side, you can see a bit of a description of  
15 the residential rate and what it looks like.  
16 And you can see how it compares to our current  
17 rate. Our current rate has a customer charge  
18 of about \$19.50, a summer and a winter energy  
19 charge. You can see that our proposed rate,  
20 the proposed demand rate, has a singular  
21 energy charge, as well as a demand charge.

22 One thing you'll notice about the energy  
23 charge is in the summer it's about 40 percent  
24 less than our previous summer energy charge.  
25 The reason why is because we've taken some of

1           those expenses in that charge and actually  
2           moved those over to the demand side. A  
3           question that we often receive is: What is  
4           demand, and how can I measure it? Demand is  
5           simply the amount of energy that you use in a  
6           given hour. That's effectively what demand  
7           is. How does it apply to this specific rate?  
8           Well, if you look on the non-logo side -- and  
9           I apologize for flipping over, but if you look  
10          on the non-logo side, it applies in what we  
11          call a "peak period." A peak period is simply  
12          a three-hour window of time. That's what it  
13          is, a three-hour window of time. And the  
14          whole point here is that you want to avoid, as  
15          much as possible, using electricity in  
16          specific components in that three-hour window  
17          of time. Because the demand, the maximum  
18          number, your maximum monthly number in that  
19          given hour, is the number that will be  
20          multiplied by our demand charge. That's how  
21          we'll determine what the demand charge is.  
22          Simply a three-hour window that you have to  
23          avoid.

24                   This rate does two things for us,  
25                   specifically. The first thing that it does is

1           it provides a means for our customers to  
2           minimize their bill. How can they do that?  
3           Well, looking on the logo side, if you look  
4           very -- at the bottom, it asks that very  
5           question. "How can it impact your bill?" If  
6           you look in the chart that's there in the  
7           "Monthly Bill Proposed Section," which is at  
8           the very bottom, it shows an on-peak demand  
9           number of 5.1 kW. That's our median, our  
10          middle, demand for all of our customers. And  
11          then you see the "Average Monthly Energy  
12          Usage," right next to that. It's 1,000 kWh,  
13          which is a "normal," quote/unquote amount of  
14          energy for a customer. You see the average  
15          monthly bill is around \$125.98, which equates  
16          to an increase of about \$10 on a monthly bill.  
17          But if you look just below that, at 4.3 kW,  
18          again, 8/10ths of a kW less for a customer who  
19          uses, moving to the right, the exact same  
20          amount of electricity, 1,000 kW for that  
21          month. Simply by lowering the amount of kW  
22          usage you have during the peak period by  
23          8/10ths, you can reduce your bill  
24          significantly by over \$6. Those are real  
25          dollars that go into our customers' pockets

1           and away from energy usage, which, again,  
2           stays the exact same.

3                       So the bottom line is this rate provides  
4           a mechanism for our customers to save their  
5           bills by -- save their dollars by using a rate  
6           and using energy outside of the peak period.  
7           This is the most important, by far, rate that  
8           we have in this adjustment process, and we'll  
9           be spending a lot of time helping our  
10          customers understand the rate and how it can  
11          benefit them and the entire Santee Cooper  
12          system.

13                      And my final purpose for being here this  
14          evening is to describe the rest of the  
15          process. Again, on the non-logo or back side  
16          of the handout, it says, "We want your input."  
17          And we do. Santee Cooper's opened a public  
18          review and comment period, and we encourage  
19          customers getting involved by reviewing  
20          proposed rates and appearing and speaking in  
21          public at a meeting or submitting written  
22          comments. The deadlines for public comment  
23          for submission of written comments is  
24          September 13th of this year. And the deadline  
25          for oral comments is October 8th. That

1 happens to be the Final Comment Meeting.  
2 There will be several comment meetings between  
3 now and then. Two of them will be in the  
4 Myrtle Beach area on September 17th, and then  
5 on September 24th, we'll have a virtual  
6 comment meeting, as well. The final vote by  
7 the Board will be on December 8th, and the  
8 boards will -- excuse me, the rates will go  
9 into effect no later than April 1st of 2025.

10 That's all I have. Any questions? Thank  
11 you.

12 MS. WILLIAMS: Okay. So -- again, my name is  
13 Pamela Williams, I am the Chief Public Affairs  
14 Officer and General Counsel at Santee Cooper.  
15 Thank you all for being here tonight. And I'm  
16 going to go over some ground rules for the  
17 meeting and for receiving comments, and we do  
18 look forward to receiving your comments. So  
19 just some, really, housekeeping rules.

20 First, the registration list and sign-up  
21 sheet for the meeting that you signed in the  
22 -- in the other room will be part of the  
23 public record. So it will be published and  
24 part of the public record. And as Vicky said,  
25 we have a court reporter here to provide a

1 transcript of the meeting, and that transcript  
2 will be made available to our board members as  
3 they consider the proposed rates and  
4 ultimately vote on the proposal. The  
5 transcript will also be posted on our Santee  
6 Cooper.com website.

7 We may decline to respond to some of the  
8 comments that we get tonight if there are  
9 proper grounds to do so, including for  
10 example, if a -- someone who's not a Santee  
11 Cooper customer makes a comment. This is a  
12 comment period for our customers. Please  
13 silence your cell phones and be respectful and  
14 courteous to others who are speaking, and --  
15 and please don't clap or make loud noises,  
16 because that will be -- it'll make it  
17 difficult for the court reporter to get the  
18 transcript of the meeting.

19 Only those who are registered to speak  
20 will be called. And so if you want to speak  
21 and have not registered, please go to the  
22 table outside and get registered. And so when  
23 your name is called -- this is information I'm  
24 going to need from you. When your name is  
25 called, please come up to the podium and speak



1           into the microphone. And here's -- here's  
2           what I need: your name, the name of the  
3           street where you live, but not your street  
4           number, and that's because it will be part of  
5           the public record and we want to respect your  
6           privacy, the town or the county where you  
7           receive service from Santee Cooper, and then  
8           please just confirm that you are a customer of  
9           Santee Cooper. And if you forget one of those  
10          things, I will remind you.

11                        So we're going to limit the comments.  
12          Each person will get three minutes to speak,  
13          in the interest of time. And we're going to  
14          have four of these public meetings. And  
15          customers can speak at one, not all four. So  
16          if you speak tonight, then you will not be  
17          allowed to speak at any of the other public  
18          meetings. As Mike said, you can provide  
19          written comments anytime up until September  
20          the 13th. And you can also ask us for  
21          information and submit requests for  
22          information up until the end of the public  
23          comment period on October 8th. As Vicky said,  
24          if you have questions about your existing  
25          account, we have customer service

1           representatives outside who can assist you.  
2           And we will not be asking you questions; we'll  
3           be listening. So please direct any questions  
4           you have to staff. Our board members are here  
5           to listen. They are not here -- they're not  
6           in a position right now to respond to  
7           comments. So keep your comments aimed at the  
8           staff, and we will be here to listen.

9                   And then if we -- if we go on and on for  
10           hours and hours, we'll take breaks. But I  
11           think we might be okay in that regard. I  
12           don't see too -- I think we can -- I think we  
13           can listen to everybody without taking a  
14           break.

15                   All right. Those are the rules. Back to  
16           Vicky.

17           HEARING OFFICER BUDREAU: Okay. I was waiting  
18           on Lindsey to confirm.

19                   Okay. At this point, we have had no  
20           customer sign up to speak and provide comments  
21           tonight. So I think that means we will --  
22           I'll just ask: Is there anybody out there  
23           that would like to speak that has not signed  
24           up?

25                   Okay. Hearing none, on behalf of the

1 Board and management, we appreciate y'all  
2 coming out tonight, and I will call this  
3 meeting adjourned.

4 (Whereupon the within meeting was  
5 adjourned at 6:18 p.m.)

6 (\*This transcript may contain quoted material.

7 Such material is reproduced as read or quoted  
8 by the speaker.)

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