

NEWS RELEASE

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Media Contact: Mollie Gore
Corporate Communications
843-761-7093
mrgore@santecooper.com

Santee Cooper board approves Build America Bonds sale

MONCKS CORNER, S.C. –The Santee Cooper Board of Directors approved today the sale of \$360,000,000 in Build America bonds in accordance with the American Recovery and Reinvestment Act of 2009.

The all-in true interest rate is 4.237 percent. The bonds mature from 2045 through 2050.

The 2010 Series C bonds are taxable and were issued to fund a portion of Santee Cooper’s share of new generation at the V.C. Summer Nuclear Generating Station and for other improvements to the system.

“The market response to Santee Cooper’s Build America bond issue was very strong, and that is directly related to the high quality of credit we have maintained over the years,” said Elaine Peterson, Santee Cooper executive vice president and chief financial officer. “What that means for our customers is lower interest payments over the life of these bonds, which of course equals savings to them in terms of energy costs.”

All three rating agencies reaffirmed what is considered a strong long-term rating of Santee Cooper. Standard & Poor’s assigned an AA- rating to the issue. Moody’s assigned an Aa2 and Fitch assigned a rating of AA.

Lead underwriter for this transaction is Citigroup Global Markets Inc. The underwriting team also includes Goldman, Sachs & Co., BofA Merrill Lynch & Co., and Morgan Stanley & Co.

Santee Cooper is South Carolina’s state-owned electric and water utility, and the state’s largest power producer. The ultimate source of electricity for 2 million South Carolinians, Santee Cooper is dedicated to being the state’s leading resource for improving the quality of life for the people of South Carolina. For more information, visit www.santecooper.com.