

December 29, 2017

The Honorable Henry McMaster
Attn: Richele Keel Taylor, Esquire
Thomas A. Limehouse, Jr., Esquire
Counsel to the Governor
State House
1100 Gervais Street
Columbia, SC 29201

RE: W. Leighton Lord III, as Chairman of the Board of Directors of the South Carolina Public Service Authority v. Henry Dargan McMaster, as Governor of the State of South Carolina

Dear Governor Henry McMaster:

Thank you for the time you and your staff provided to us so we could better explain our process for producing documents and materials requested by your office. I am confident everyone now understands that at no time did I, the Santee Cooper Board or Santee Cooper staff withhold documents or information from your office. Santee Cooper has nothing to hide, however we are always open to improving the process.

Everyone at Santee Cooper, including myself, deeply regrets we had to make the decision to suspend construction of VC2 and VC3. It was one of the hardest decisions our Board has had to make. It was, however, the right decision. While we deeply regret the loss of dollars and jobs, the decision prevented untenable rate increases that would have hurt our customers. We had to act to protect our customers from future harm.

In the midst of this challenging time, I am proud of the recent work accomplished by the Santee Cooper team. We have delayed a rate increase, passed a budget that even the Post and Courier newspaper praised and received a positive upgrade from one of the major utility rating agencies. I promise you that the Santee Cooper Board and the good people who work at Santee Cooper remain dedicated to protecting their customers, selling low cost and reliable electricity and creating jobs through Santee Cooper's economic development efforts.

With a very capable interim CEO in place, a very capable board and a cost cutting budget approved, now is the time for me to end my service to Santee Cooper. Please accept this letter as my formal resignation as Chairman of the South Carolina Public Service Authority.

Sincerely,



W. Leighton Lord III