

Office of the Speaker South Carolina House of Representatives

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JAMES H. LUCAS SPEAKER OF THE HOUSE

April 8, 2020

Mr. Dan J. Ray, Chairman of the Board Mr. Mark Bonsall, President and Chief Executive Officer Post Office Box 2946101 Moncks Corner, South Carolina 29461

Dear Mr. Ray and Mr. Bonsall:

Attempting to have an open, honest, and productive conversation with Santee Cooper has been exceedingly difficult and disappointing. It has become my experience and the experience of House leadership and staff that the representations made by Santee Cooper Board members, leadership and staff are not reliable.

Further, I believe that Santee Cooper leadership has undertaken a coordinated and purposeful effort to frustrate the will of the South Carolina General Assembly as expressed in law by Act 95. I believe your Board and leadership have lost sight of the fact that Santee Cooper is a state agency, subject to the policy decisions of the General Assembly and has instead chosen to behave as a rogue entity, seeking to satisfy its own priorities rather than those of ratepayers, taxpayers and the State of South Carolina.

Let me be explicitly clear, if state law gave me or the House of Representatives the authority, I would seek the immediate and unqualified removal of each member of the Santee Cooper Board and the dismissal, for cause, of the entire senior management. Unfortunately for the people of South Carolina, I do not have that authority. However, I do predict and will applaud your ultimate removal from your positions in the appropriate manner.

It is evident that Santee Cooper suffers from a broken corporate culture that is deeply ingrained in your leadership. It is a shame that the leaders of what was once one of this state's greatest assets suffer from such arrogance and ambivalence as to behave in the manner you have.

Lacking the authority to see a leadership change, what I can do is mandate that no one associated with Santee Cooper, be they employed by the agency or by an outside law firm or consulting agency, may have any direct or personal contact with anyone in the Speaker's office or House staff. Further, any information that is to be submitted to the House of Representatives at any

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level must be done so by a written and signed letter submitted to appropriate staff that, I can assure you, will be made immediately available to the public.

While I cannot prohibit members of the House from having contact with you and your representatives, I will strongly suggest that they too request all communication from Santee Cooper in writing for their own protection.

Finally, should Santee Cooper choose to offer information by testimony at a subcommittee or committee in the House, I will ask the chair presiding at that meeting to administer an oath to the representative of Santee Cooper who is appearing, again whether they are a direct employee of the agency or not.

I regret having to take such extreme steps, but I cannot allow false, misleading information from a state agency to permeate the debate surrounding Santee Cooper. The House's deliberations must be based on verified fact and actual data, neither of which Santee Cooper has proven to be able to produce.

Millions of South Carolinians are provided power through Santee Cooper, directly or indirectly. Those ratepayers deserve an honest, accountable Santee Cooper. They have neither. That must change.

Sincerely,

James H. Lucas

Speaker of the House

cc: The Honorable Henry D. McMaster

The Honorable Harvey S. Peeler, Jr.

The Honorable Hugh K. Leatherman

The Honorable G. Murrell Smith, Jr.

The Honorable David R. Hiott

The Honorable Merita A. "Rita" Allison

The Honorable William E. "Bill" Sandifer, III

The Honorable Leon Howard

The Honorable Alan D. Clemmons

The Honorable Wm. Weston J. Newton

The Honorable Chip Huggins

Santee Cooper Board of Directors