

## SANTEE COOPER

# Hewitt backs negotiations for utility sale

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State Rep. Lee Hewitt said this week he will support the sale of Santee Cooper, the state-owned utility, following the release of a consultant's evaluation of proposed offers from investor-owned utilities.

The Murrells Inlet Republican was initially cool to the idea, saying he wanted to see the proposals. "How do we get out of it so that it's in the best interest of the people Santee Cooper services?" he said.

This week, he said he will follow the lead of House Speaker Jay Lucas and back negotiations to come up with the best terms.

"Based on the study committee report, there are offers to buy Santee Cooper that would pay off all the debt and lower rates for Santee Cooper and electric

cooperative customers," Hewitt said. "We owe it to ratepayers and taxpayers to take these next steps."

Gov. Henry McMaster created a review committee to explore options for the sale of Santee Cooper following the failure of a joint venture with South Carolina Electric and Gas to expand the V.C. Summer nuclear plant. That added over \$4 billion to Santee Cooper's debt, pushing its total debt close to \$9 billion. That debt is guaranteed by the state, Hewitt noted.

The committee sought offers that would cover the debt, ensure low rates and maintain the utility's workforce and economic development efforts.

The evaluation of four offers by the firm ICF said "Were the state of South Carolina to negotiate with these entities, it would find four counterparts with the

financial, technical and managerial capability to purchase Santee Cooper and provide reliable, safe and economic electric and water services."

The four potential buyers were not identified.

The buyers would be able to maintain low rates even while buying up the debt because they are able to generate power at lower cost. They would rely more on natural gas and less on coal, transmitting power from existing facilities, according to the IFC report.

"Participants' customer rate decreases appear reasonable given their assumptions, but additional detailed study should be conducted to confirm assumptions, especially regarding transmission," the report said.

Tom Swatzel, a former Georgetown County Council member and county GOP

chairman, has been encouraging residents to back the sale of Santee Cooper. He won the support last week of the Litchfield Beaches Property Owners Association, whose board voted to write legislators to support the sale.

"It's a debacle for sure," Steve Minta, the association treasurer, said.

Swatzel said the sale faces its biggest hurdle in the state Senate, where one senator can hold it up. He expects that to be Sen. Larry Grooms of Berkeley County, where Santee Cooper is based. State Sen. Stephen Goldfinch of Murrells Inlet also opposes the sale.

"Lee, on this issue, is where he needs to be," Swatzel said.

The Georgetown County Republican Club will hold a meeting on the Santee Cooper sale Monday at 7 p.m. in the Waccamaw Library.