

Jim Robo
Chairman & Chief Executive Officer



January 15, 2021

Senator Luke Rankin
Chairman
SC Senate Judiciary Committee
101 Gressette Building
Columbia, SC 29201

Dear Chairman Rankin:

NextEra Energy is in receipt of your letter dated December 31, 2020 and has viewed the Senate Judiciary subcommittee meeting on Santee Cooper held virtually on the same day.

Our company is proud to be leading a new era in clean, affordable, American energy, while protecting the environment and giving back to the communities where we do business. Everything we do is geared around delivering a great energy value for our customers. It's why over the past decade we have invested nearly \$90 billion in clean energy infrastructure, the largest investment in the U.S. energy industry. These investments have allowed us to keep customer bills at FPL lower today than they were 15 years ago, while significantly improving both our reliability and emissions profile. By investing in smart infrastructure and innovative, clean energy solutions, we are helping build a sustainable energy future that is affordable, reliable, efficient and clean, while creating thousands of jobs and generating economic benefits for the communities we serve.

The untenable burden that Santee Cooper and its customers face due to the now failed \$4 billion nuclear project cannot be solved by the current status quo. Respectfully, Santee Cooper has not presented a solution to this problem because no solution exists on a standalone basis. Santee Cooper remains responsible for these costs, regardless of the terms of any settlement. Even though the utility has committed to certain refunds to customers, the company and its customers remain liable for the underlying costs of that failed project. The only viable solution is for an experienced utility company, with a proven track record of success, to help South Carolina move toward a cleaner, more reliable energy future at rates that will ensure that the state and its businesses are economically competitive.

We firmly believe that NextEra Energy can provide substantial value to the State of South Carolina and the customers of Santee Cooper. To that end, NextEra has been pleased to participate in the several processes South Carolina has undertaken related to the potential sale of Santee Cooper's assets. We would welcome the opportunity to become the service provider to nearly 2 million South Carolinians, applying NextEra Energy's proven standard of delivering exceptional service at an exceptional value.

We were pleased to offer a comprehensive energy solution in NextEra Energy's most recent bid through the SC Act 95 process conducted by the SC Department of Administration (the "Department"). Our bid was fully transparent and complied with all laws and rules relative to that process and in fulfillment of information requests by the Department. The binding offer submitted by NextEra Energy included hundreds of pages of detail related to our company, our bid, the regulatory process to place a new Santee Cooper under the supervision of the South Carolina Public Service Commission, our commitments to customers in the form of stable rate and refund commitments, and other transactional documents necessary to complete this purchase. The process was robust and substantive. The Department and its lawyers and consultants who worked assiduously throughout this process, along with NextEra Energy and representatives from Central Electric Cooperative, spent weeks reviewing, negotiating and drafting the necessary documents. The bid and accompanying documents submitted by NextEra were made fully available by the Department for review by the General Assembly and the public.

Importantly, the NextEra Energy bid submission unlocked significant value for Santee Cooper's customers, the State of South Carolina, and local governments and communities across the state through: (a) the immediate elimination of all of Santee Cooper's existing debt; (b) billions of dollars in new investment in clean energy generation throughout the state of South Carolina during the first few years; (c) hundreds of millions of dollars in additional refunds to Santee Cooper customers in the first year; (d) hundreds of millions of dollars to be remitted as general revenues to the State; and (e) billions of dollars in new state and local taxes. Simply put, our proposal would be one of the largest investments in South Carolina history with a focus on substantial investments in energy infrastructure as we deliver a clean, reliable and resilient energy future with affordable rates and provide South Carolina a definitive solution to the yet unresolved debt problem at Santee Cooper. We would respectfully suggest that no single initiative, legislative or otherwise, could better position South Carolina to attract business and industry while protecting its environment. And certainly, as I stated earlier, there is no better option to eliminate all existing debt at Santee Cooper.

To date, NextEra has provided a very significant quantity of information and material related to our business, to the goals and objectives in our bid, and to how we would serve the residents and businesses currently served by Santee Cooper. That information has been furnished to the Department. Additional material was provided to the Senate and to the House in connection with my appearance before the Senate Finance Committee and the House Ways & Means Committee. As you know, all of this information, along with the information and data we routinely file as a business operating in a heavily regulated industry, is readily accessible to you and to any interested person through the Department or other public sources. Respectfully, therefore, NextEra Energy will not be providing additional documentation at this time.

We continue to believe we can bring the best solution to the challenges Santee Cooper and its customers are facing, and enormous value to the State of South Carolina as a whole. Our company has three corporate values that our team lives by each day. We are committed to excellence. We do the right thing. We treat people with respect. If given the opportunity to continue the process to purchase Santee Cooper, that is exactly what we will do in South Carolina.

Sincerely,



Jim Robo

cc: President Harvey S. Peeler, Jr.
Chairman Hugh K. Leatherman, Sr.
Majority Leader A. Shane Massey
Minority Leader Brad Hutto