

Santee Cooper Class Action Lawsuit Settlement Funds Distribution Update

Members who received power from Palmetto Electric Cooperative between January 1, 2007, and January 31, 2020, may receive an unexpected bill credit or check in late November and December. The credits (for amounts less than \$25) and checks (for amounts \$25 or greater) are the result of the settlement of a class-action lawsuit involving the failed nuclear construction project at V.C. Summer Nuclear Generating Station in Fairfield County.

The funds are being paid by Santee Cooper, which owned the project along with SCE&G (now Dominion Energy). Palmetto Electric Cooperative did not own the project. However, because we buy from Santee Cooper some of the power we deliver to our members, some members may be due bill credits or payments. Palmetto did not calculate the payments. They resulted from a court-approved process after a settlement agreement was reached between the parties in the class-action lawsuit.

Below is a list of frequently asked questions with answers that will assist you, should you have any questions regarding the settlement. If you have any questions regarding the administration of the Settlement, you will need to contact the Settlement Administrator.

Additional questions can be answered at: <http://www.santeecooperclassaction.com/Home/FAQ#faq9>

Frequently Asked Questions

1. I noticed a credit on my bill (or, I got a check in the mail) for something related to a class action settlement. What's that about?

A class-action lawsuit was filed in 2017 following the failure of the construction project for two nuclear units at the V.C. Summer Nuclear Generating Station in Fairfield County. Santee Cooper and SCE&G (now Dominion Energy) were the owners of the project.

The lawsuit argued that consumers should not have to pay for the nearly \$9 billion (\$4 billion by Santee Cooper) in costs sunk into the failed project and essentially lost with nothing to show for it.

Before the lawsuit went to trial, the parties came to an agreement and settled the suit. The settlement agreement called for \$520 million to be refunded to customers of Santee Cooper and the electric cooperatives.

2. How were the credits issued?

Cooperative members who were due \$25 or more got a check in the mail. Cooperative members whose credit was less than \$25 got a credit on their electricity bill.

3. Did the cooperatives—and specifically my cooperative—own part of the failed nuclear units?

No. But Palmetto Electric's power supplier, Central Electric Power Cooperative, buys a lot of the power the cooperative uses from Santee Cooper. Central was required to pay for part of the construction project while it was ongoing, therefore Central and Palmetto Electric Cooperative's members are due some of the settlement funds that are being refunded. That is why you are getting a refund.

4. Is the bill credit I got this month all there is?

The refund or payment you received represents about 70% of the refund amount coming to you. A second credit or payment for the remaining 30% will be applied in the fall of 2022—a couple of years from now. That is the way the plan was set up by the court. Palmetto Electric Cooperative does not have control over the timing.

5. My bill credit sure was small. Why so little?

Refunds were calculated based on how much electricity you purchased during a specific time period up through January 31, 2020. So, if you were only a member for a short amount of time before last December, you really didn't pay much for the nuclear plant's construction.

6. Why didn't I get any refund?

The class in the class-action lawsuit included only those people who were members for any period from January 1, 2007 through January 31, 2020. So, if you came online with the cooperative in 2020, you did not have charges in your electric bill inside the class period.

7. How was my amount calculated?

Your share of the settlement was based on your power usage, but Palmetto Electric Cooperative did not perform the final calculation. That was between the court and the firm hired to administer the settlement, a firm called Epiq (pronounced eh'-pic), a global firm in the legal services industry.

If you have any questions regarding the administration of the Settlement, you may contact the Settlement Administrator.

Please include your name and your return address on all correspondence.

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