

TELEPHONIC SPECIAL MEETING OF THE BOARD OF DIRECTORS
SANTEE COOPER HEADQUARTERS – BOARD ROOM
ONE RIVERWOOD DRIVE, MONCKS CORNER, SOUTH CAROLINA
WEDNESDAY, SEPTEMBER 14, 2011 – 9:00 A.M.

SPECIAL SESSION

Directors Present: Chairman O. L. Thompson, Directors Kristofer Clark, William A. Finn, J. Calhoun Land, IV, W. Leighton Lord, III, Peggy H. Pinnell, James R. Sanders, Jr., David F. Singleton, David A. Springs, Cecil E. Viverette, and Barry D. Wynn

Others Present: Lonnie N. Carter, President and Chief Executive Officer; Elaine G. Peterson, Executive Vice President and Chief Financial Officer; James E. Brogdon, Executive Vice President and General Counsel; Terry L. Blackwell, Senior Vice President, Power Delivery; Marc R. Tye, Vice President, Customer Service; Jeffrey D. Armfield, Vice President and Treasurer; Pamela J. Williams, Vice President, Administration & Corporate Secretary; Mollie Gore, Director, Public Relations; Nan Cline, Financial Analyst III; and Pamela M. Gaskins, Assistant Corporate Secretary

Also present were Paul Trouche, Bond Counsel; O. Wayne Corley, Counsel to Underwriters; Michael Borys, Dave Cohen, and David Levy of Goldman Sachs; and Gene Devlin of Public Financial Management.

An agenda, including the time, date and location of the meeting, was posted on Santee Cooper's website on Tuesday, September 13, 2011.

Chairman Thompson called the meeting to order. He presided, and Ms. Gaskins kept the minutes.

Ms. Gaskins conducted the roll call. Directors' attendance is indicated above.

Mr. Carter, Ms. Peterson, Mr. Brogdon, Mr. Blackwell, Mr. Tye, Mr. Armfield, Ms. Williams, Ms. Cline, Ms. Gore, Ms. Gaskins, Mr. Trouche, and Mr. Corley were in attendance at the board room at the main headquarters in Moncks Corner.

Chairman Thompson, Director Clark, Director Finn, Director Land, Director Lord, Director Pinnell, Director Sanders, Director Singleton, Director Springs, Director Viverette, Director Wynn, Mr. Borys, Mr. Cohen, Mr. Levy, and Mr. Devlin participated via telephone conference call.

Mr. Peterson stated that during the 2011B Refunding approved on August 19, 2011, there were some bonds that did not quite meet our savings target; however, the market has moved in a direction in which we are able to proceed with another refunding to gain savings for our customers.

Ms. Peterson also stated that the underwriting team selection is not complete; therefore, Mr. Devlin and the rest of the Public Financial Management (PFM) team served as financial advisor on this transaction.

Ms. Peterson reported that management is seeking approval of a refunding transaction in the amount of \$135,855,000. Yields range from 4.48% in 2033 to 4.28% for maturities in 2033-2036. The proceeds from the bonds along with \$6,870,062.05 in premiums plus \$2,000,000 will be placed in escrow and used to pay \$134,715,000 of the 2002B bonds on the January 1, 2012 call date and \$5,160,000 of the 2007A bonds at maturity dates ranging from 2013-2015. The all-in true interest cost is 4.6256%. Gross savings total is approximately \$9.4 million with a net present value of \$7,697,204.78. This equates to 5.502917% savings of refunded bonds.

Director Land left the meeting.

Ms. Peterson introduced Mr. Borys, Mr. Cohen, and Mr. Levy of Goldman Sachs, lead underwriter on this transaction. Mr. Levy expressed appreciation for the opportunity to represent Santee Cooper in this deal. He provided a summary of the market conditions and the transaction, noting that the transaction was well received in the market with a good mix of investors.

Ms. Peterson introduced Mr. Devlin. He commended management for their hard work and ability to move quickly to take advantage of the market, as well as their commitment to stay within the established savings target of 5%. He stated Santee Cooper continues to be well received in the market. He further stated this is a well executed transaction, the coupons and yields are fair and appropriate and recommended approval.

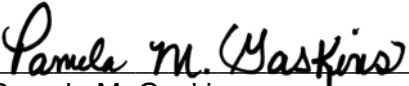
Mr. Trouche reviewed in detail the Twenty-ninth Series and Supplemental Resolution, Revenue Obligation Bonds, 2011 Refunding Series C.

With recommendation for the adoption of the transaction by management and the financial advisor, and upon motion by Director Wynn, seconded by Director Singleton, the Board unanimously adopted the resolution, a full copy of which is attached (Exhibit SMB 9-1-11).

There being no further business and upon motion made and seconded, the meeting was adjourned.

Respectfully submitted,

APPROVED:


Pamela M. Gaskins
Assistant Corporate Secretary


O. L. Thompson, III
Chairman