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⊕ As part of Santee Cooper's corporate commitment to protecting and improving our environment, this annual report was printed on paper that meets United States Environmental Protection Agency guidelines for recycled paper. We urge you to recycle this paper when you have finished with it.

Photography by Jim Huff

Santee Cooper is South Carolina's publicly owned electric utility. Construction on the utility project began in 1939 with the first electricity generated in 1942 from the Pinopolis Powerhouse in Moncks Corner.

Santee Cooper generates the power distributed by 15 of the state's 20 electric cooperatives to more than 325,000 customers located in 35 counties, and it supplies power to 29 large industries, the cities of Bamberg and Georgetown, and three military installations at Charleston and Myrtle Beach.

The utility has four generating stations in South Carolina: Jeffries Station in Moncks Corner, Cross Station in Cross, Winyah Station in Georgetown, and Granger Station in Conway. Santee Cooper also has combustion turbine peaking units at Myrtle Beach and Hilton Head Island and a small hydroelectric unit at the North Santee Dam. The public utility has a one-third ownership in V.C. Summer Nuclear Station near Jenkinsville.

Santee Cooper promotes energy conservation through its marketing programs and provides the lowest electric rates in South Carolina.

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Photography by Jim Huff

MAKING A DIFFERENCE

It's what we do at Santee Cooper.

Every day, the men and women of Santee Cooper work hard to make a difference for the people of South Carolina... to improve their lives and their quality of living.

So it is to the men and women of the Santee Cooper team that we dedicate this annual report... only through their persistence and dedication can Santee Cooper provide the quality of service that the people of South Carolina deserve. Service that includes not just affordable power, but meaningful environmental, educational, and outreach programs.

We hope you share in the pride we feel for this team of professionals. It is they who give Santee Cooper its strength. It is they who are the backbone of our organization.

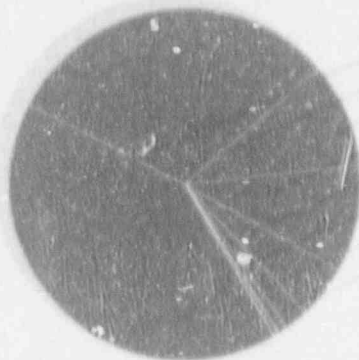
And it is they who are making a difference...

CORPORATE STATISTICS

Calendar Year	1991	1990	1989	1988	1987
Total Utility Plant/Net Including Nuclear Fuel (at year end) (in thousands of dollars)	1,852,471	1,786,059	1,761,109	1,747,021	1,743,672
Bonded Indebtedness (at year end) (in thousands of dollars)	2,237,729	1,937,721	1,950,665	1,966,307	1,964,110
Operating Revenues (in thousands of dollars)					
Residential	56,884	54,356	55,236	53,760	54,242
Commercial	58,064	56,156	55,039	53,931	52,489
Public Street Lighting & Other	2,010	1,904	2,001	1,914	1,694
Industrial	184,707	182,662	182,453	178,340	161,003
Wholesale	256,071	252,988	254,849	212,363	211,671
Miscellaneous	4,842	5,914	5,216	4,640	4,430
Total	562,578	553,980	554,794	504,948	485,529
Operating & Maintenance Expenses Charged to Operations (in thousands of dollars)	344,320	341,743	342,009	295,109	266,266
Payments in Lieu of Taxes Charged to Operations (in thousands of dollars)	3,364	3,426	3,449	3,196	2,690
Payments to the State Charged to Reinvested Earnings (in thousands of dollars)	5,640	5,629	5,366	4,091	2,506
Net Operating Revenues Available for Debt Service (in thousands of dollars)	245,706	233,179	235,147	213,136	228,680
Reinvested Earnings (in thousands of dollars)	40,968	40,001	43,492	43,259	40,773
Debt Service Coverage: Priority Obligation & Expansion Bonds	1.74	1.60	1.62	1.60	1.56
Kilowatt-hour Sales (in thousands)					
Residential	935,650	900,626	853,026	840,367	821,247
Commercial	1,062,371	1,027,319	976,304	959,439	917,885
Public Street Lighting & Other	36,304	34,939	35,180	32,318	29,677
Industrial	5,474,394	5,333,130	5,196,833	5,399,795	5,283,726
Wholesale	6,088,552	6,052,241	6,249,916	5,058,358	4,751,694
Total	13,597,271	13,348,255	13,321,459	12,290,347	11,803,629
Number of Customers (at year end)					
Residential	76,824	74,922	70,497	70,881	67,998
Commercial	15,156	14,950	14,779	14,688	14,304
Public Street Lighting & Other	294	298	286	305	305
Industrial	32	34	34	30	30
Wholesale	5	6	6	5	4
Total	92,313	90,210	85,582	85,909	82,641
Residential Statistics (average) Kilowatt-hour					
Consumption/Consumer	12,151	12,071	11,885	11,919	12,138
Cents/Kilowatt-hour	6.08	6.04	6.40	6.40	6.60
Generating Capability (at year end) (megawatts)	2,780	2,780	2,780	2,780	2,780
Power Requirements and Supply (kilowatt-hours in million)					
Generation					
Hydro	598	548	545	280	511
Steam	11,233	11,006	11,152	10,592	9,988
Combustion Turbine	1	3	22	9	(1)
Nuclear	776	2,031	1,801	1,680	1,713
Total	12,608	13,588	13,520	12,561	12,211
Purchases, Net Interchanges, Etc.	543	483	373	199	86
Total	14,151	14,071	13,893	12,760	12,297
Territorial Peak Demand (megawatts)	2,571	2,508	2,707	2,263	2,160

SOURCE OF INCOME

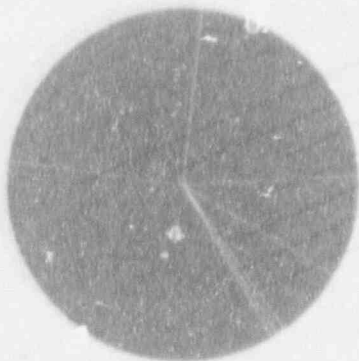
IN THOUSANDS



SALES TO ELECTRIC CO-OPS	\$241,820	40.85%
INDUSTRIAL SALES	184,707	31.20%
COMMERCIAL SALES	56,064	9.81%
RESIDENTIAL SALES	56,884	9.81%
OTHER INCOME	29,334	4.96%
OTHER SALES FOR RESALE	14,251	2.41%
OTHER ELECTR. REVENUE	4,842	.82%
PUBLIC STREET LIGHTING & OTHER	2,010	.34%

DISTRIBUTION OF INCOME

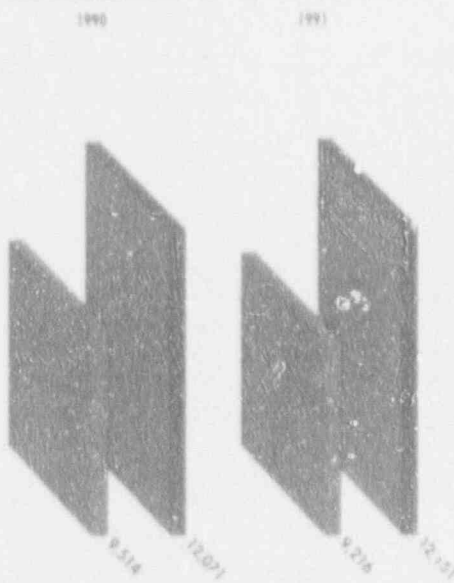
IN THOUSANDS



FUEL AND PURCHASED POWER	\$210,403	35.55%
INTEREST	168,049	28.34%
OPERATION AND MAINTENANCE	133,917	22.62%
RETIREMENT OF DEBT	54,686	9.24%
ADDITIONAL, LAND, INVENTORIES, ETC.	39,873	6.74%
PAYMENT TO STATE	5,640	.95%
SUMS IN LIEU OF TAXES	2,364	.40%

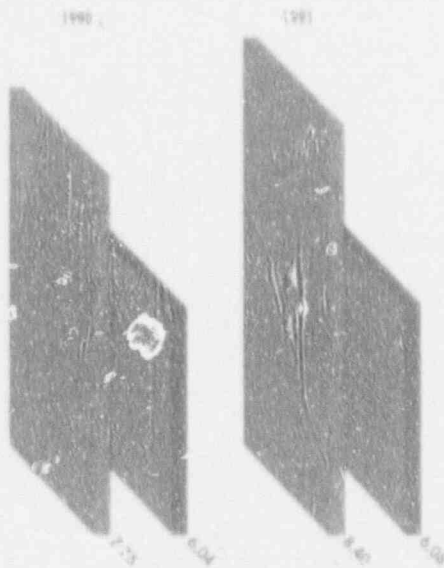
AVERAGE RESIDENTIAL CONSUMPTION

IN KILOWATTHOURS



AVERAGE RESIDENTIAL COST

CENTS / KILOWATTHOUR



■ NATIONAL AVERAGE ■ SANTA CLARA COUNTY

COMPARATIVE HIGHLIGHTS

Calendar Year	1991	1990	% Change
FINANCIAL (THOUSANDS OF DOLLARS)			
Total Revenues & Income	\$591,932	\$576,852	2.61
Total Expenses & Interest Charges	\$575,428	\$563,378	2.14
Costs to be Recovered from Future Revenue	24,464	26,527	-7.78
Reinvested Earnings	\$ 40,968	\$ 40,061	2.42
Debt Service Coverage - Priority & Expansion Bonds	1.74 times	1.60 times	8.75
Debt / Equity Ratio	78/22	77/23	--
STATISTICAL			
Retail Customers Served	92,276	90,170	2.34
Average Annual Residential Consumption (KWH)	12,151	12,071	.66
Average Residential Cost (cents per KWH)	6.08	6.04	.66
Energy Sales (MWH)	13,597,271	13,548,255	.36
Territorial Peak Demand (MW)	2,571	2,508	2.51

COMMUNITY DEVELOPMENT



John E. Schmitt
Executive Director of the Office

James E. Smith
President and CEO of the Office

EXECUTIVE REPORT



John S. Bailey
Chairman, Board of Directors

Thomas A. Ford
President and Chief Executive Officer

EXECUTIVE REPORT



John S. Hickey
Chairman, Board of Directors

Harold E. Ford
President and Chief Executive Officer

2000 1991 of experienced worldwide, throughout the state and locally were decisive and

- War and peace in the Middle East.
- The collapse of the Soviet Union and resignation of President Mikhail Gorbachev.
- Cutbacks in national defense spending, including reductions in employment and base closure announcements in South Carolina.
- Wall Street confusion, with the Dow Jones topping 3100, interest rates dropping dramatically and the American economy struggling to get back on its feet.
- Passage of a stringent Clean Air Act designed to improve the environment, requiring large capital expenditures by utilities throughout the nation.
- Financial institutions still faltering, unemployment still increasing, and federal funding for programs at the state and local levels still shrinking.

While people, countries, and institutions responded worldwide to events and challenging economic forces, events and forces that made a difference in the lives of people everywhere in 1991 also brought accomplishments and progress locally, in many areas of the state and in the service territory served by Santee Cooper.

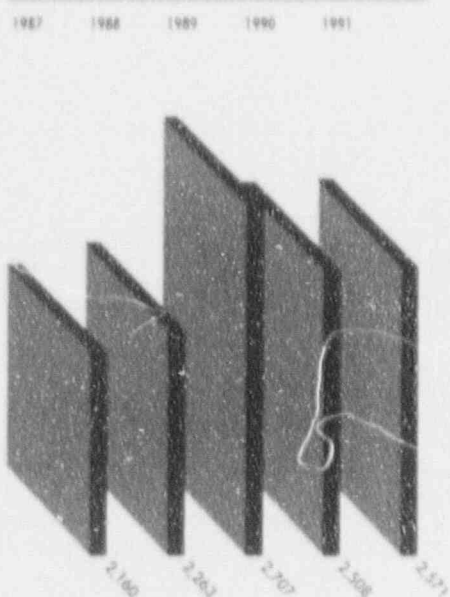
As the fourth largest publicly owned electric utility in the United States and as an institution owned by the people of South Carolina, Santee Cooper has sought to make a difference to its customers, employees, investors and the people of this state.

Sustained by new industrial and business development and diversity in its economic base, South Carolina dug in its heels and maintained relative stability compared to other parts of the country. During the year, 587 new or expanding industries were announced, representing \$2.4 billion in new investments and bringing more than 10,000 new jobs to the state. While 5,000 layoffs were recorded, South Carolina's total employment increased by 12,000 jobs. Unemployment averaged 6 percent, compared to the national average of 7.1 percent. And in sports, worldwide attention focused on South Carolina's Kiawah Island where the world's top golfers teed off during the Ryder Cup, golfing's premier competition.

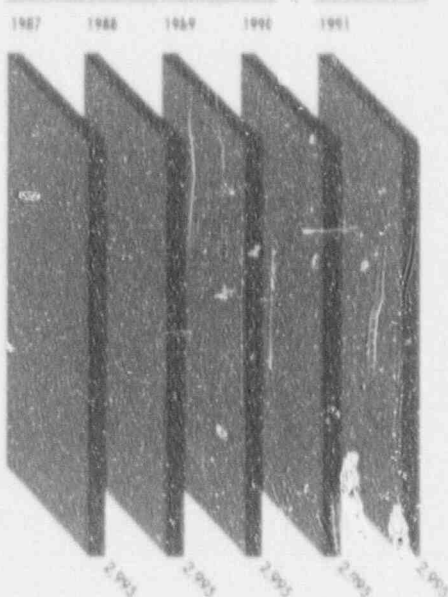
While South Carolina struggled with the economic stresses of recession, Santee Cooper sought to make a difference for its customers and the residents of this state by maintaining a qualitative-quantitative balance in its corporate equation for doing business. This has resulted in economic stability, and it has been accomplished by improving management and operating efficiencies, responding to customer needs, and providing new public services. With projections for continued growth, moderate rate adjustment, and improved service, Santee Cooper is fulfilling its corporate commitments with increased environmental awareness, sensitivity and responsibility.

Economic stability and growth in South Carolina were strong in the areas served by Santee Cooper and the Central Electric Power Cooperative System for which it generates power. During the past year, eight industrial firms announced new facilities and expansions within the 35-county electric cooperative service area. Those announcements represent future capital investments in excess of \$47 million and more than 500 new job opportunities. Through the efforts of Palmetto Economic Development Corporation, which has coordinated the joint economic development efforts for Santee Cooper and the Central System since 1988, there have been 26 new industries, representing \$854 million in investments and 2,325 new jobs announced in the service areas served by Santee Cooper and the electric cooperatives.

PEAK DEMAND IN MEGAWATTS



CAPACITY IN MEGAWATTS



Economic restraint on the part of cautious consumers resulted in only moderate changes in revenue and electric power consumption. Slight increases were experienced in power generated and sold, gross revenues, reinvested earnings, and customers served. Kilowatthour sales of electricity increased by 0.36 percent. Peak demand for power increased 2.51 percent.

The steady growth in demand and projected load validated the decision made by Santee Cooper's board of directors in January 1990 to proceed with construction of a second unit at the Cross Generating Station as the most economic method to meet the increased power demands projected by 1995.

Any measurement of the performance in terms of the quality and quantity of service which Santee Cooper provides shows it to be one of the best run, most efficient utilities in the country. This is evidenced in a comparison of unit reliability, heat rates, operating efficiency, and the cost per kilowatthour for generation, transmission, and distribution of electricity.

ENERGY

In 1991, energy sales totalled 13.6 billion kilowatthours of electricity, an increase of 49 million KWH over last year. Peak demand for the year reached 2,571 megawatts, compared to 2,508 MW in 1990. Heating and cooling degree days for the year increased 15 percent over 1990.

The most meaningful measurement and the biggest difference for Santee Cooper customers is that their electric rates remained the lowest in South Carolina and among the lowest in the Southeast.

In terms of energy consumption, Santee Cooper experienced increases of 3.89 percent by residential customers, 3.41 percent by commercial customers, 11.85 percent by Central Electric Power Cooperative, Inc., and 3.06 percent by the municipalities of Bamberg and Georgetown. Industrial sales declined slightly, 1.06 percent. Growth in our number of customers was steady. A total of 2,106 residential and 208 commercial customers was added, which represents increases of 2.33 and 1.39 percent, respectively.

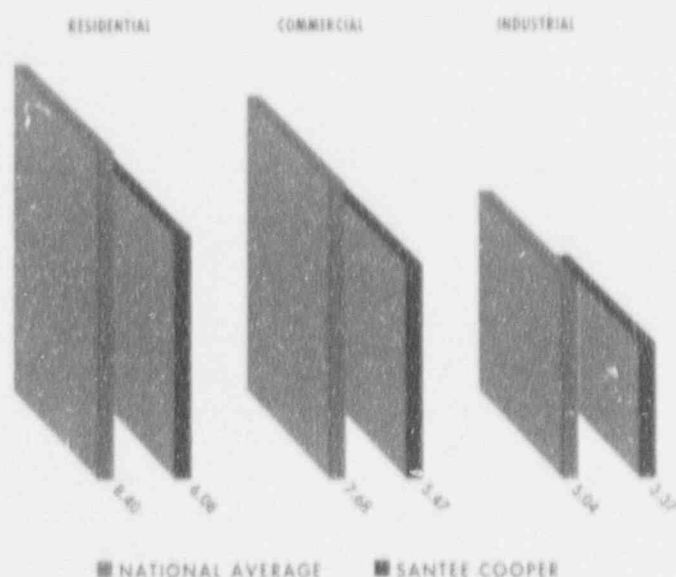
OPERATIONS

Construction began on Unit 1 of Cross Generating Station, a 540-megawatt coal-burning companion to Unit 2 which went on line in 1984. Unit 1 is scheduled to begin operations by late 1994. Gilbert Commonwealth and Associates of Reading, Penn., is the engineer and construction manager.

Tentative agreement was reached with four local municipal water entities which will join as partners in

RATES

CENTS PER KILOWATT-HOUR COMPARED WITH UTILITIES
BASED ON THE NATIONAL AVERAGE



the construction and operation of the new Santee Cooper Regional Water System, scheduled to begin operating in 1994.

Remedial construction on the Headquarters Annex was completed in early 1991, and the move by various departments and operating units was completed in March.

ECONOMIC DEVELOPMENT

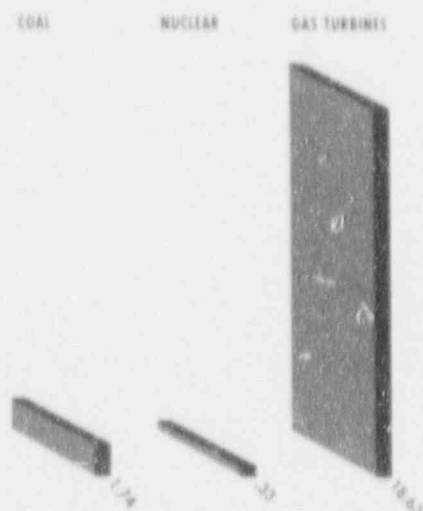
One of the most significant differences Santee Cooper makes in the economy of South Carolina is through the attraction of business and industrial investment, which creates new jobs and expands the tax base. Tourism maintained its number two position among the state's largest industries and its dominance in the Santee Cooper service area. In contrast to the overall staggering economy, business generally remained stable in Santee Cooper's service territory.

FINANCE

Successful financial management made a big difference in making 1991 a "good year" instead of a year overpowered by uncontrollable economic forces. Total revenues were \$562,578,000, about a 2 percent

FUEL GENERATING COST

CENTS / KILOWATT-HOUR



increase over 1990. Electric operating expenses were \$418,530,000, up 1 percent over 1990. Reinvested earnings were \$40,968,000, up 2 percent over the previous year.

While costs increased in many areas, Santee Cooper continued to provide the lowest cost electricity in the state and does not anticipate any rate adjustments until April 1994.

Santee Cooper's financial stability was maintained, with upgrades on revenue bond ratings from A to A-1 with Moody's and from A to A+ with Standard & Poor's. In addition, the company's revenue bonds were rated for the first time by Fitch Investors Services, with an A+ rating. Santee Cooper's revenue bonds now carry the same credit rating as its senior second lien bonds, a remarkable achievement and a rare commendation awarded by the rating agencies.

Santee Cooper mini-bonds were again in high demand by customers and South Carolina residents, who invested a record \$27 million in the issue, bringing the total sold since first offered in 1988 to \$82.7 million.

ENVIRONMENT

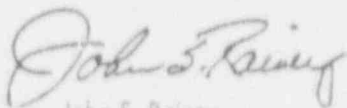
Making a difference in the protection and improvement of our environment is a constant challenge and a major corporate commitment. Santee Cooper accomplished this through a variety of environmental initiatives. These included presentation of the first Santee Cooper Environmental Scholarships to students from 19 of the state's colleges and universities, hosting the South Carolina Environmental Symposium, and supporting Clemson University's 4-H Outdoor Adventure Camp. We also conducted a statewide environmental essay contest for seventh graders, an environmental recognition program for Scout troops, and a program for nine summer interns which emphasized environmental programs and activities.

A major environmental service was provided through a statewide expansion of the Give Oil For Energy Recovery (GOFER) program. By 1993, 230 used motor oil collection sites will be installed throughout 46

counties, providing do-it-yourself oil changers a means for disposing of their used motor oil in an environmentally safe manner. Santee Cooper will collect the used motor oil and convert it into electricity. There were 46,268 gallons of used oil collected from 49 GOFER sites during the year, which converted into 832,824 kilowatthours of electricity, enough to meet the annual needs of 70 average residential homes. Almost 50,000 gallons of used motor oil have been collected since the program's inception on July 30, 1990.

Our greatest challenge remains to strive through all that we do to make a difference in both the qualitative and quantitative dimensions of life for our customers, employees, investors, and the people of this state. We must continue to make that difference through efficient operations, effective management, resourceful financing, and prompt and courteous service. That will be achieved by keeping our sights on excellence—excellence in the discharge of our responsibilities as a utility and an institution owned by and operated for the benefit of the people of South Carolina.

"Making A Difference" is the theme of this annual report. A variety of perspectives on the many ways Santee Cooper has sought to make a difference through programs of environmental responsibility, efficient operations, and community outreach are presented in parallel with a description of progress experienced during the past year.



John S. Rainey

Chairman, Board of Directors



Kenneth R. Ford

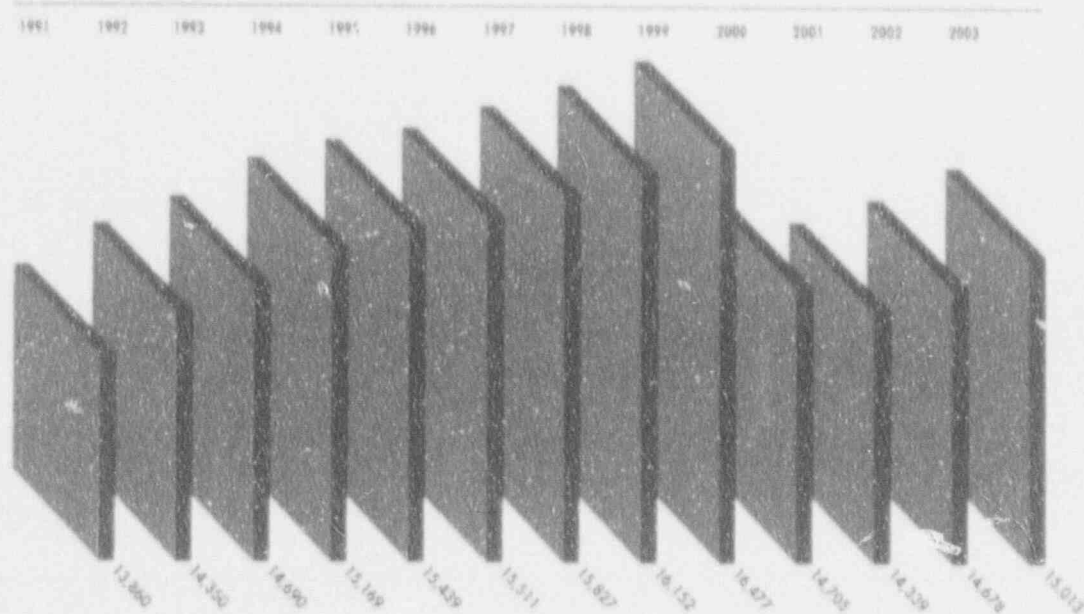
President and Chief Executive Officer

ENERGY SALES

At the end of 1991, Santee Cooper was serving 92,276 residential, commercial, and other retail customers located in Berkeley, Horry, and Georgetown counties. This was an increase of 2,106 or 2.33 percent over 1990. Of this increase, 1,902 were residential and 208 were commercial. There was a decrease of 4 customers in public street lights and other.

Sales to these retail customers were 2,034 gigawatt-hours, up 3.61 percent over the previous period. The average annual consumption of electricity by Santee Cooper residential customers increased to 12,151 kilowatt-hours, .66 percent more than 1990.

TOTAL ENERGY FORECAST IN GIGAWATTS

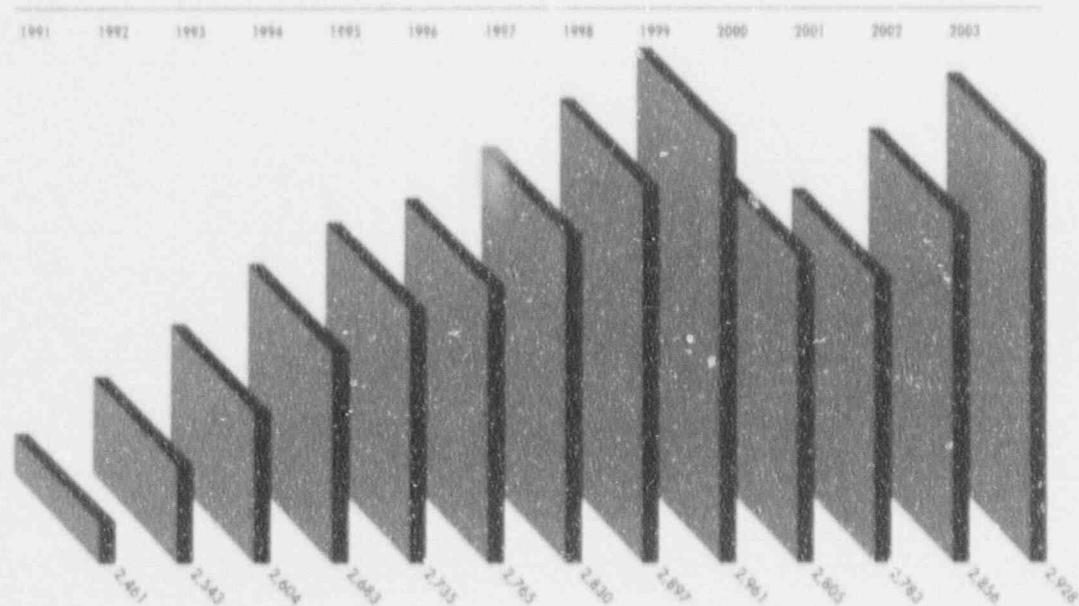


Industrial's were 5,474 gigawatthours, down 1.07 percent over the previous year. The average cost of power to industrial customers was 3.37 cents per kilowatthour, 2.1 percent more than in 1990 and 33.13 percent lower than the national average.

Sales to Central Electric Power Cooperative, Inc. to its 15 member co-ops increased 11.85 percent to 5,913 gigawatthours. Central is Santee Cooper's largest single customer. The electric cooperatives distribute power to more than 325,000 customers in 35 counties.

Sales to the municipalities of Bamberg and Georgetown increased 3.06 percent.

TOTAL PEAK DEMAND IN MEGAWATTS



MAKING A DIFFER

... THROUGH A RELIABLE POWER SYSTEM

To continue improvement of reliable electric service, some \$45 million was spent on construction of new transmission lines and substations in 1991.

Two projects, in support of the electric cooperatives and service to new industrial customers, were completed on schedule. Service was provided to Teledyne-Allvac in Chester County. This project involved construction of three new 69 kV lines along with a 69 kV switching station at Richburg. Also, construction was completed on 5.5 miles of 69 kV transmission line and expansion of the Lugoff Substation to provide service to the Allied Signal Corporation in Camden.

Continued development in Horry and Georgetown counties increased the need for additional transmission capacity. Construction of the Campfield-Arcadia project was completed, giving another 115 kV source to the Waccamaw Neck area.

Other transmission projects completed in this area included the 20-mile-long Red Bluff to Perry Road 230 kV line, and the Red Bluff to Goretown and Perry Road to Myrtle Beach 115 kV lines.

The East Conway and Glenns Bay 115-12 kV substations, also completed in 1991, will help meet increased distribution loads.

During 1991, Design Engineering completed 186 miles of surveying for new transmission lines, the design of six new substations, and the design of 16 new transmission lines.

A new digital microwave link was installed. It connects the Energy Control Center in Moncks Corner with the Jefferies and Grainger generating stations, the Horry-Georgetown Division headquarters, and several substations.

Santee Cooper maintained a firm contract power sale of 77 megawatts of capacity to North Carolina Eastern Municipal Power Agency (NCEMPA). A total of 18,862 megawatt-hours of energy was sold to NCEMPA during 1991 under the off-system sales contract for a total of \$7,279,399.

System controllers purchased 157,043 megawatt-hours of economy energy from the interconnected utilities in 1991 to displace higher-cost generation for savings of \$402,597. Also, 27,619 megawatt-hours of economy energy was sold to the interconnected utilities for a total of \$555,725.

THINKING DIFFERENT

You know, it's easy to talk about the environment and complain about the fact that things are pretty messed up... I mean, anyone can complain. Talk's cheap, right?

I've thought about it a good bit, and decided I'd be a hypocrite if I joined the complainers but didn't do my part. I know it's not much and I'm not going to save the planet single-handedly or anything, but I've started to recycle my used motor oil. All I do is drain it out of the car and dump it in the tank of one of those GOFER sites.

You know, if everyone in the country did just a little bit, and people quit thinking about the environment as some sort of dump site, things might get better.

At least that's what I hope.





As part of its flood control program, Santee Cooper conducted spilling operations to maintain proper elevations of the Santee Cooper lakes and to reduce flooding of the lower Santee River. Following heavy rainfall during the spring and early summer, four spilling operations were conducted for a total of 26 days. During that time, a total of 401,365 acre-feet was spilled. The maximum average spill for a one-day period reached 15,000 cubic feet per second (cfs) and was held at that level for a five-day period. In May 1991, the St. Stephen Powerhouse, owned and operated by the U.S. Army Corps of Engineers, was unable to operate because intakes at the hydroelectric station were clogged by aquatic vegetation known as *Hydrilla*. To assist the Corps of Engineers in correcting the problem at the hydro station, Production Operations personnel designed, constructed, and initially operated a device to remove the *Hydrilla* from the intake structures. Two of these devices were provided to the U.S. Army Corps of Engineers after the *Hydrilla* caused additional clogging problems during June and July.

Water Quality Management also assisted in alleviating the problem through intense spraying operations made possible by increased funding.

Santee Cooper also conducted a seven-day spilling operation in June to improve poor water quality in the Santee River, a result of the St. Stephen situation. The spill, requested by the South Carolina Wildlife and Marine Resources Department after a fish kill, totaled 97,820 acre-feet of water with a maximum average spill during one day of 7,800 cfs.

Santee Cooper's Emergency Action Plan for Dam Failure is the most comprehensive dam safety plan in the United States according to the Federal Energy Regulatory Commission (FERC) who licenses and regulates the Santee Cooper project.

Continued emphasis on maintenance of the Santee Cooper project, including the 42 miles of dams and dikes, has assured FERC of the company's commitment to all of the many users of the Santee Cooper lake system. Operationally, the 42 miles of dams and dikes have been and are being continually upgraded to meet or exceed FERC's most recent requirements.

General Construction upgraded the 50 miles of navigation channels in Lakes Marion and Moultrie with new and more visible radar-reflective channel markers, which make boating safer.

Santee Cooper contracted with Virginia Power for additional capacity for the next two years, starting at 50 MW in 1993 and increasing to 200 MW by mid-1994. This purchase from Virginia Power will

provide an additional source of power until the start up of Cross Unit 1, saving Santee Cooper \$8 to \$25 million over installing additional combustion turbine capacity.

Santee Cooper's generating facilities, which include one-third ownership of the V.C. Summer Nuclear Station, produced 13,608,251 net megawatt-hours of electricity this year. This was 20,155 megawatt-hours or 0.15 percent above last year.

Of the total energy generated, 82.56 percent was produced using coal, 13.05 percent by nuclear, 4.39 percent by hydroelectric, and 0 percent by oil.

The peak hourly demand for the year was 2,571 megawatts, occurring on July 23. This was an increase of 2.51 percent over 1990. The territorial load for 1991 was 14,202,224 megawatt-hours, a 5 percent increase over 1990.

Santee Cooper's crews recleared 10,500 acres (a 2.3 percent increase over last year) along more than 5,000 miles of transmission rights-of-way. Contract reclearing activities accounted for 1,850 acres, while helicopter application of selective herbicides was completed on 1,150 acres.

During 1991, danger-tree maintenance was performed on over 160 miles of right-of-way with over 56,000 trees being either topped or removed. Helicopter-borne saws were used to side trim 60 miles of rights-of-way that were not adaptable to the more radical topping or removal.

In an attempt to control erosion and enhance wildlife habitat, over 200 acres of land were planted in prescribed species, relieving Santee Cooper of further maintenance on these rights-of-way sections.

A concerted effort was also made to control flooding in the Pee Dee area caused by beavers. In several cases, flooding had precluded access to transmission switches which could have had serious effects on system reliability.

A leased helicopter service was used to patrol all lines on the Santee Cooper transmission system to locate outages, to spot potential problems that might create an outage, and to note needed maintenance or encroachments.

... THROUGH COST-EFFECTIVE POWER PRODUCTION

Through an ash marketing program in place since the 1970s, 30,000 tons of fly ash were sold in 1991. More effort has been recently devoted to market this byproduct as a concrete additive, road base material, and for use in other areas.

WAKING DIFFERENCE

TO THE STATE'S ECONOMY...

My wife and I spent a lot of time this past year worrying about the recession... the thought of being unemployed doesn't make for pleasant dinner conversation.

But as the year went on and the guys on TV kept talking about how terrible the economy was, I still had my job... so did all my buddies. In fact, three fellows I know up in Marlboro County got hired by one of the industrial outfits that moved there.

I got a letter a while back from my brother-in-law who sent me a clipping from the front page of a Raleigh newspaper that said Santee Cooper has attracted a billion dollars in new industry to South Carolina that should've gone to North Carolina.

He asked me if I already knew about that. I didn't, but I figured, "Hey, that's my power company." So I called him and told him everyone in South Carolina knows that.





Santee Cooper has also been working with several governmental agencies to allow Poz-o-tec, the solid waste material by-product produced at the Cross Generating Station, to be used as a cover for landfills. These programs reduce the amount of storage volume required for the byproducts and provide revenue to offset handling costs.

Santee Cooper installed a solid-particle erosion modification on several of its steam turbines during 1991. This will extend the useful life of the turbine blading. The modification allows the steam units to pass solid particles from boiler and pipe exfoliation without damage to the unit's turbine blades. As a result, turbine overhauls can be scheduled every six years instead of five years, saving maintenance costs and improving availability of the steam units. All units will eventually undergo these modifications to allow operation at higher efficiency for extended periods.

Santee Cooper continued to expand the use of its Maintenance Planning and Resource Organization (MPRO) maintenance system which is used to maximize manpower and material resources by providing a computer-assisted approach to coordinating maintenance. Santee Cooper showcased its Winyah Maintenance Facility and the maintenance planning program at the MPRO Users Group Conference hosted at the Omni Hotel in Charleston, S.C., on April 23-24. Sixty participants representing 12 utilities and industries using MPRO throughout the United States and Canada attended the conference.

The Cross Unit 1 project is on schedule and initial operation is planned for November 1994. Commercial operation has been set for May 1995.

During 1991, modifications were planned on Cross Unit 1 that will increase the unit net capability from 520 MW to 540 MW. Due to the scope and design refinements as well as favorable marketplace conditions, the overall budget was reduced \$44 million. Cross Unit 1 is expected to have an installed cost of less than \$880 per kilowatt.

Cross Unit 1 project activities for 1991 included engineering design, specification writing, and equipment and construction procurement. In late July, construction began in the power block area. Eighty percent of the boiler area caissons and 30 percent of the turbine area caissons were installed by the end of the year.

Contracts were placed for environmental protection equipment including the precipitator (fly ash capture), flue gas desulfurization system (sulfur dioxide capture), and cooling tower (site water zero discharge). Contracts were also issued for components of the thermal cycle. This includes the condenser,

feedwater heaters, deaerator, boiler feed pumps, forced-draft and induced-draft fans, and cooling water circulating pumps.

. . . THROUGH IMPROVED CUSTOMER SERVICE

Santee Cooper provided retail service to 92,276 customers in Berkeley, Horry, and Georgetown counties, an increase of 2.33 percent over 1990.

System improvements in the Berkeley District were concentrated in the St. Stephen and Bonneau Beach areas. Over 50 percent of the distribution circuits were completely rebuilt to the latest design specifications. As a result, the number of unscheduled outages in St. Stephen and Bonneau Beach has been reduced more than 80 percent compared to three years ago. These reductions in unscheduled outages have resulted in substantial savings by reducing overtime expense as well as lost revenue.

The customer service office in St. Stephen was expanded to provide improved work areas for employees who serve customers directly in St. Stephen and Bonneau Beach. This has improved overall efficiency by reducing travel time, improving communications, and providing faster access to customer information.

Construction of new facilities has provided service to 59 new residential and commercial accounts in the Berkeley District. Major facilities completed include service to Phase I of Bonneau Estates and Phase II of Stony Landing, the Roper Berkeley Center, and the Berkeley Community Mental Health Center.

To ensure an adequate supply of electricity, a second transformer was added at the Eastside 34-12 kV Substation in Moncks Corner, doubling the capacity of that station. Plans were made for relocation of feeder circuits in preparation for construction of a new 115-12 kV Eastside Substation, and expansion of the St. Stephen 34-12 kV Substation.

An inventory was conducted of all Berkeley District distribution system facilities. This inventory was necessary because of the massive system destruction and changes that occurred as a result of Hurricane Hugo in September 1989. Information from the inventory is used in the production of computerized maps and service orders. It is also being used during emergency situations, in daily operations to provide equipment or circuit information, and for planning purposes.

The steady increase of customers in the Horry-Georgetown Division has required additional office space to accommodate administrative and customer service-related functions.

The new Horry-Georgetown Division offices were completed in March. Located in the 42,808-square-

MAKING A DIFFERENCE

TO OUR ENVIRONMENT...

I read last week that they're estimating college costs to increase to over seventy-five thousand dollars by the time Ashley is ready to attend...

That's pretty scary.

But Phil and I are saving for it, and money that's wisely invested for the long-term grows pretty significantly... of course, the trick is finding the money to save. We try to cut costs where we can, and we take advantage of things like coupons, sales, energy-efficient appliances... we also think long-term when we make financial decisions. Our house is a Good Cents home, our water heater is one of those Santee Cooper H₂O Advantage heaters...

I know watching out for a few dollars here and there won't make us rich, but we don't expect it to.

We just expect it to educate Ashley.





foot facility are Design Engineering, Planning, Maps and Records, Marketing, Training, Occupational Health, and Division managers. This facility has relieved overcrowded retail office conditions and has allowed key personnel who serve customers throughout the entire area to be located within the same facility.

The Division Energy Control was expanded to include a state-of-the-art dynamic system status control board. The new board displays current conditions and status of the Division and Berkeley District transmission and distribution systems. Advanced communication consoles allow dispatchers immediate access to field personnel and employee data necessary for efficient daily operation and timely restoration of service.

The Division Storm Center was also enhanced and relocated to the new Division offices. Communication consoles were added and additional space allowed for consolidation of telephone operators who handle daily business calls and outage-related calls. Other storm-related improvements include the upgrading of station power systems in all Division transmission and distribution substations. This results in increased service restoration efficiency following extended storm-related outages.

. . . THROUGH CUSTOMER OUTREACH

New customer programs in 1991 included the addition of Santee Cooper's Surge Alert program. Designed for residential and small commercial customers, the Surge Alert device offers whole-house protection against harmful power surges caused by lightning, road accidents, and small animals coming in contact with power lines. More than 332 Surge Alert devices were installed in 1991.

The You've Got Seniority program was developed to meet the special needs of Santee Cooper customers 55 years and older. Special services include Adjusted Due Date Billing, designed for retired seniors who depend on a Social Security check as their primary source of income. This program adjusts the due date of the electric bill to coincide with the arrival of the income check. Other services for this special group of customers include Gatekeeper, Lifeline, and a Hospitalized Customer Assistance Plan. A free quarterly newsletter is mailed to all program participants.

. . . THROUGH RESPONSIVE CUSTOMER PROGRAMS

Santee Cooper introduced a Commercial Good Cents demand-side program which provides owners, developers, contractors, architects, and engineers the opportunity to design and build more energy-

efficient buildings. The program is offered to retail customers served by Santee Cooper and participating electric cooperatives and municipalities which buy power wholesale from Santee Cooper. Under the program, new buildings which meet the Good Cents standards will not only cost less to operate and offer a more comfortable working environment, they also qualify for a cash rebate up to \$4,000.

Buildings constructed to meet Commercial Good Cents standards use existing electrical generation and distribution facilities more efficiently, which helps defer the construction of new generating facilities.

The Good Cents Residential Program is available for new homes, improved homes, mobile homes, and loans.

In 1991, approximately 442 customers built or purchased homes using Good Cents New Home standards. In the existing home market, approximately 169 customers have made necessary changes in their homes to qualify for the Good Cents Improved Home Program.

Since the program began in 1987, 1,235 customers have built new homes using the Good Cents New Home standards, 801 have taken advantage of the Good Cents Improved Home Program, and 139 customers are owners of mobile homes that meet Good Cents standards. Customers benefit in two ways—by paying the lower rate for a Good Cents Home and enjoying the increased comfort of living in an energy-efficient home.

During 1991, Santee Cooper's Loan Program provided 108 customers low-interest loans to help them retrofit existing homes and reduce their energy costs. The program funded \$422,224 in loans in 1991 and \$3,214,873 since its inception in 1982.

In 1990, Santee Cooper introduced a new demand-side management program called H₂O Advantage. With the objective of decreasing peak demand, the program provides a rebate of \$150 toward the purchase of an 80-gallon, energy-efficient water heater and a \$5 monthly credit for 10 years. The program uses programmed timers in conjunction with increased heated water storage capacity to minimize customer inconvenience and reduce system peak demand. In 1991, there were 368 installations in the retail service area and 7,238 in the electric cooperative service areas.

. . . THROUGH ENVIRONMENTAL OUTREACH

With a commitment to environmental protection and excellence, Santee Cooper initiated an ambitious environmental public awareness campaign. The campaign was multi-faceted and created ongoing

MAKING A DIFFERENCE

IN OUR QUALITY OF LIVING...

OK, sports fans, we're down to finals in the championship of the universe fishing tournament... young Michael Webber scoffs at the other fishermen out in their high-priced bass boats... Hah! Everyone knows that the dock is the place to fish.

His highly trained fish retriever McGuffey sits by his side, ready at a moment's notice to leap into the water and land the trophy-winning bass... Michael Webber's look is one of total concentration as he gazes out across Lake Marion. The water ripples around his line.

He hears a noise. He hears it again.

"Michael!"

"Yes, mom!"

"Dinner!"

The officials call a time out... the championship of the universe fishing tournament is delayed for thirty minutes.





programs to promote and encourage the enhancement and protection of South Carolina's natural resources.

The programs included an environmental essay contest for all South Carolina seventh-graders. Winners were selected from each congressional district with an overall statewide winner.

Santee Cooper awarded environmental scholarships to students from 27 accredited state four-year colleges and universities and Trident and Harry-Georgetown technical colleges. Scholarship recipients were selected based on academic excellence and proven commitment to environmental leadership.

The capstone of the environmental program was the first South Carolina Environmental Symposium, hosted by Santee Cooper, the National Wildlife Federation, and the College of Charleston. The symposium was held at Kiawah Island in late October. The forum of 100 included South Carolina environmentalists, industrial policymakers, state and federal regulators, legal experts, and academicians who met for two days to exchange information and perspectives. Attendees heard and saw first-hand how good environmental policy can also be sound business policy.

In 1991, four water systems in South Carolina's Lowcountry joined Santee Cooper in the formation of a regional water system. The Santee Cooper Regional Water System will provide treated water from Lake Moultrie to the Berkeley County Water & Sewer Authority, the Moncks Corner Public Works Commission, the Summerville Commission of Public Works, and the City of Goose Creek. The system is being designed by Hobbs, Upchurch & Associates of Southern Pines, N.C., and is expected to be operational by September 1994. It will treat and deliver up to 21 million gallons of water daily to the four entities.

For more than a decade, tri-county governments have talked formally and informally with Santee Cooper about establishing a regional water system. The system will include a treatment plant and 21 miles of water lines at a projected cost of less than \$36 million. The at-cost system will not affect bonds, bondholders, or customers of the electrical system.

Santee Cooper, along with Palmetto Economic Development Corporation, recruits new industry and jobs to service areas served by Santee Cooper and the electric cooperatives. In 1991, eight new industries with 500 jobs located in areas served by either Santee Cooper or an electric cooperative.

Santee Cooper directly serves 29 large industrial customers, two municipalities, 15 of the state's 20 electric cooperatives, and three military installations.

... THROUGH ENVIRONMENTAL LEADERSHIP

All across the United States, improper disposal of do-it-yourselfer (DIY) used motor oil is an environmental problem. Each year in South Carolina, it is estimated that DIY oil changers improperly dispose of over one million gallons of used motor oil.

Aware of this problem, Environmental Services conducted a pilot Give Oil For Energy Recovery (GOFER) program by establishing eight operating collection stations in different areas of the state. This program gave DIY oil changers an environmentally acceptable alternative to disposing of their used motor oil. Based on the public's response to used oil collection, plans were announced in June to expand the GOFER program to 270 collection stations statewide by the end of 1993.

The main goal of this statewide program is to provide South Carolinians an environmentally acceptable option for the disposal of their used motor oil, thereby protecting the state's environment and utilizing a valuable resource that previously was wasted.

By year's end, Environmental Services established 49 GOFER used oil collection stations. The collection stations were installed with the assistance of Mid-Carolina, Berkeley, and Pen Dee electric cooperatives, and various county and city governments. The GOFER collection stations are located in Beaufort, Berkeley, Charleston, Darlington, Dorchester, Florence, Georgetown, Horry, Lexington, and Richland counties.

South Carolinians have placed almost 50,000 gallons of used oil in the GOFER collection stations. This used oil is converted into energy through incineration in Santee Cooper's high-efficiency boilers at the Winyah Generating Station. This represents enough energy to power nearly 70 homes for one year. Santee Cooper also received approximately 70,000 gallons of used oil from various electric cooperatives and commercial and industrial operators.

During 1991, Santee Cooper also burned over 55,000 gallons of lubricating and hydraulic oils used by the utility. Winyah Generating Station used this oil to generate nearly one million kilowatt-hours of electricity.

... THROUGH NATURAL RESOURCE MANAGEMENT

The Environmental Resources Division was recognized by Renew America with an Environmental Achievement Award and was included in the 1991 Environmental Success Index (ESI). Santee Cooper

MAKING A DIFFERENCE

INTERVIEW WITH MISS WILSON

Miss Wilson comes every week to help us with our work. She said that she comes because she likes to help kids, but I think she likes to come because she likes to play on the computer.

She told us they didn't even have computers when she was in school.

Beth asked her once if she didn't have to work and get to play all day, but she said she works for Santee Cooper. She said she works at night and then does other stuff during the day. She said she likes to help kids get smarter, but I'm already pretty smart.

I think she's pretty cool.





was cited for its program of using biological control agents, rather than using toxic chemicals, to control mosquitoes and aquatic vegetation. Renew America is a national campaign to identify, reward, and promote successful environmental programs. ESI is part of the National Environmental Leadership Conference in cooperation with the United Nations World Environmental Day.

During 1991, \$1,037,000 was obtained in federal and state funds through the South Carolina Aquatic Plant Management Council for aquatic plant management activities in Lakes Marion and Moultrie. These funds were used to supplement \$757,000 in Santee Cooper funding to treat 5,686 acres of vegetation throughout the lake system with federally approved herbicides, and to stock 100,000 triploid grass carp in the headwaters of Lake Marion.

Water Quality Management moved into a new 3,200-square-foot laboratory facility in 1991. The main responsibility of the laboratory, certified under both the Clean Water Act and the Safe Drinking Water Act, is to provide analyses of lake monitoring samples. The program also provides analytical support for other programs at Santee Cooper. The addition of organics analytical capabilities in 1991 will provide for more detailed monitoring of the lake system and expanded support of other programs through the determination of dissolved gases in transformer oils and PCBs in oils, water, and sediments.

Mosquito abatement operations were conducted on Santee Cooper lands in the combined interest of disease vector control, outdoor recreation, and tourism in the five counties surrounding the Santee Cooper lakes. Approximately 155,835 acres were treated for mosquitoes in all stages of development during 1991. More than 4,800 inspections were performed to ensure spray efforts were effectively controlling the mosquito populations.

The mosquito fish (*Gambusia affinis*) were stocked in permanent pools where mosquitoes were likely to hatch. The fish proved to be an effective biological control.

The Aquaculture unit produced more than 380,000 *Tilapia* fish during 1991, with 105,000 stocked in the Winyah Cooling Reservoir for aquatic vegetation management; 5,000 into ash ponds for control of acidic and alkalinity fluctuations; 2,000 into ponds at Santee Cooper's corporate headquarters; 70,000 sold to outside sources; and 200,000 stocked into the raceway system for aquatic plant control next spring.

The Old Santee Canal State Park in Moncks Corner is one of the gratis leases Santee Cooper provides. A highlight of the 200-acre park is the Interpretive Center which opened during the fall of 1991. It is a

unique structure which includes displays showing life forms dating back to 4000 B.C. and examples of life which were common in the region 30 million years ago. The park was a joint project of Santee Cooper and the South Carolina Department of Parks, Recreation and Tourism.

Approximately 18,900 acres of prime wildlife and waterfowl habitat are leased to the South Carolina Wildlife and Marine Resources Department on a gratis basis for use as part of the state's Wildlife Management Program. Included in this acreage is a 350-acre waterfowl impoundment adjacent to Lake Moultrie. An additional 100-acre impoundment is planned to increase the wetland and waterfowl habitat diversity within the area.

Through artificial and natural reforestation efforts, the majority of timberlands destroyed by Hurricane Hugo in September 1989 have been successfully regenerated.

. . . THROUGH EFFECTIVE INFORMATION MANAGEMENT

Management Information Systems (MIS) took a number of steps in 1991 to reduce costs and improve productivity. This included installing software to improve mainframe data storage management, which resulted in savings of \$25,000 in disk-space capacity requirements.

Use of a Computer Aided Software Engineering tool improved programmer productivity by approximately 20 percent, and is allowing MIS to place systems in operation quicker and at a reduced cost.

The Automotive System was also completed, providing a means to capture fuel consumption data from gas pumps and conduct cost analyses of Santee Cooper vehicles.

MIS assisted with the installation of an on-line Performance Monitoring System at Winyah Generating Station. This system allows unit operators to monitor controllable losses, thus operating the units more efficiently.

. . . THROUGH EDUCATIONAL OUTREACH

In 1991, Santee Cooper's Energy Education Program made 151 classroom presentations to first, third, fifth, and sixth-graders in Berkeley, Georgetown, and Horry counties. Approximately 12,500 publications were distributed. Energy Education conducted the Educator's Energy Seminar for teachers, a vocational seminar for senior vocational students, and a student conference for fifth-graders. Santee Cooper supported the Red Ribbon Week anti-drug abuse campaign by distributing ribbons to all employees and the utility's Business-Education Partnership schools.

NO MAKING A DIFFERENCE every day...

The blocking in this scene is critical...

The lighting is critical...

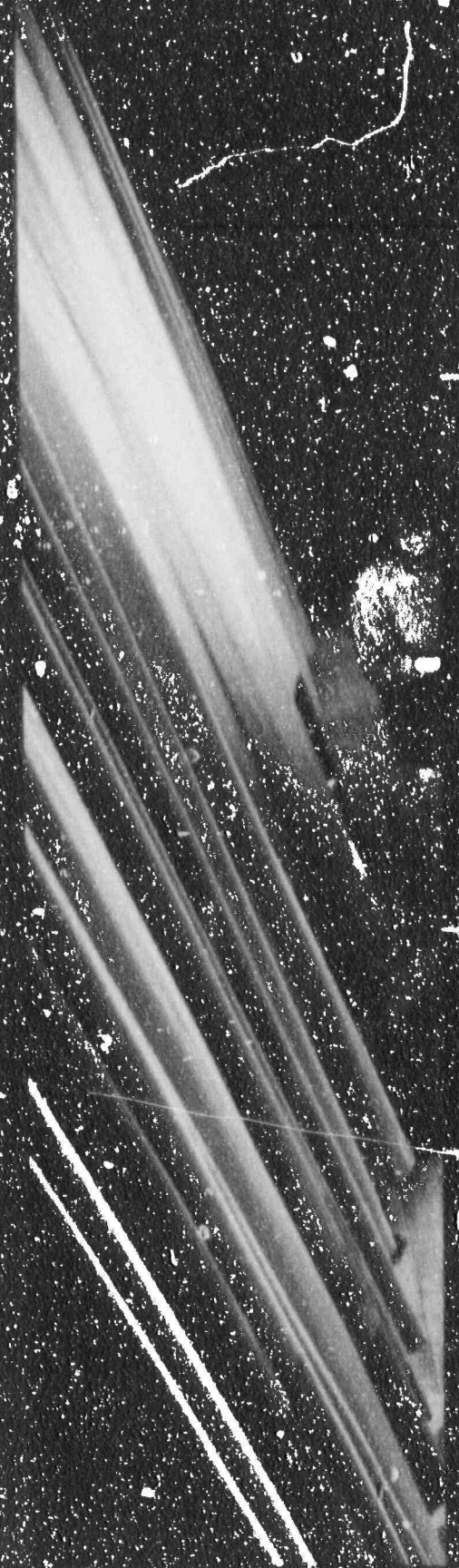
And the timing is going to make or break the scene...

The stage will be totally black.

Oliver will move left to right and stop on his mark... he'll hold there in the darkness for a count of three.

The music will cue, and Oliver will begin his number in the dark. That will be the cue to hit the wind fans, and two counts later the lightning flashes will begin. At the end of the second line, the lights will come on and flood the stage.

Bang. A star is born.





. . . THROUGH EQUAL OPPORTUNITY

The Equal Opportunity Procurement Program (EOPP) was developed and began full operations in 1991. The purpose of this program is to increase the opportunity for participation by minority and women-owned businesses in the procurement system at Santee Cooper.

The EOPP is an outreach effort that provides equal opportunities for those seeking to offer services and commodities to the company. This effort will include participation by Santee Cooper employees in related organizations and community activities which support the development of these businesses. EOPP also serves to identify, qualify, and develop vendors who can provide utility-related services, and provides these vendors an increased opportunity to bid.

Equal opportunity employment was emphasized through an environment that values workplace diversity including personal background and geographic origins as well as race and gender. This commitment is stated and practiced through Santee Cooper's Affirmative Action Plan which is reviewed by the S.C. Human Affairs Commission. Significant increases of minorities in professional job categories and females in skilled craft jobs were achieved.

. . . THROUGH IMPROVED HUMAN RESOURCES

Santee Cooper continues to maintain one of the utility industry's best safety records. This year, the utility received the American Public Power Association's (APPA) second place award for utilities working between two and four million employee-hours per year. Santee Cooper has received APPA's first or second place award 21 of the last 28 years.

A total of 1,561 Santee Cooper employees completed 1991 without an Occupational Safety and Health Administration recordable injury or preventable motor vehicle accident. These employees qualified for safety incentive awards.

Through Training and Development's Educational Improvement Program, 17 employees received an associate, bachelor's, or graduate degree. Over 160 employees were enrolled in local colleges or universities, and 725 internal and external training programs were conducted for employees.

The Commercial Driver's License Training and Testing Program began and was completed by 399 employees. Assistance was provided to several electric cooperatives by training 135 of their linemen in the Corporate System Switching Certification Program.

Employee Relations increased information flow to employees about company-offered services and programs including employment opportunities, career counseling, benefits interpretation, conflict resolution, retirement planning, and company events.

Absence and job turnover rates continued to be far below national averages in 1991.

Occupational Health conducted blood donor and smoking cessation programs for employees. Annual health evaluations were used to counsel employees on high-risk factors such as high cholesterol and blood pressure. Influenza vaccines were administered to employees and retirees who signed up for the program.

Several health-related training programs, including first aid, cardiopulmonary resuscitation, and hearing conservation, were held.

Santee Cooper was represented at several career days at high schools in Berkeley, Horry, and Georgetown counties, and colleges throughout the state.

. . . THROUGH EMPLOYEE PARTICIPATION

During 1991, Santee Cooper's Program for Employee Participation (PEP), which encourages employees to integrate the problem solving process into their workday, involved 949 employees participating on 168 PEP teams. Net annual savings of \$485,630 were realized through efforts of the program.

One prime example of making a difference while protecting the environment was the action of the Horry-Georgetown Division Technical Services team. This PEP action team, the Junk Yard Dogs, established a system to salvage usable material that was previously being discarded. Prior to the formation of the team, the Myrtle Beach-based unit salvaged streetlights, switches, and hot-line clamps. Since this type of salvage and refurbishing could be beneficial to the entire utility, the action team was formed to look into developing a company-wide recycling program.

The team's results included establishment of a unit to handle corporate-wide salvage and refurbishing. Salvaged materials, including pole-top hardware and tools, come from throughout Santee Cooper's service area and are refurbished and restocked in warehouses for reuse. Specially designed equipment strips conductors, separating copper and aluminum from the insulation. These metals are then recycled. In 1991, the Myrtle Beach Recycling Center processed 7,000 items valued at \$139,604.

MAKING A DIFFERENCE

I've never forgotten what my dad told me the day before I married Julia ...

He said, "Son, you're taking on a real responsibility here. When a woman agrees to marry you, she becomes your responsibility, not just when you're young and things are easy, but when you're older and things get tough."

The part that really struck me was the part about things being tough when you get older, and I decided right then to start planning for a comfortable retirement.

It was the smartest move of my life.

We've invested our money in dependable programs over the years, and we stuck to it even when the kids were in college and money was tight...we always invested first, then budgeted the rest. Nothing high risk...things like blue chip stocks, Santee Cooper bonds...things we know will pay off.

• You know, my dad was one smart guy.





. . . THROUGH RESOURCEFUL FINANCIAL MANAGEMENT

The ratings on Santee Cooper's revenue bonds were upgraded by Moody's Investor Services and Standard & Poor's Corporation from an A rating to an A-1, A+, respectively. Santee Cooper's rating of A-1/A+ on expansion bonds remained the same. Fitch Investor Services rated the revenue bonds and expansion bonds A+.

In March 1991, Santee Cooper sold \$370,410,000 in 1991 revenue bonds, Refunding and Improvement Series A, B, and C. Of this amount, \$309,735,000 will be used to fund a portion of Santee Cooper's capital improvement program which includes construction of the 540-megawatt coal-fired unit at the Cross Generating Station. The remaining \$60,675,000 was used to refund prior debt. Through this refunding, Santee Cooper reduced its total debt service by approximately \$6.3 million over the life of the bonds.

With the issuance of these bonds, the Electric System Expansion Revenue Bond Resolution was closed except for refunding purposes.

1991 was the fourth consecutive year Santee Cooper has marketed and sold mini-bonds. Sales set a new record with approximately 5,900 bonds sold, totalling \$27,157,500. This is an increase of approximately 29 percent over the 1990 issue. Over the four-year period, the total investment in mini-bonds has exceeded \$82 million. Less than 1.1 percent of the bonds have been redeemed by bondholders.

The mini-bonds are used primarily for ongoing capital improvements for Santee Cooper and to provide customers, electric cooperative members, and small investors in South Carolina an opportunity to buy tax-exempt bonds.

IN MEMORY OF NEIL GOLDSTON



AN EMPLOYEE WHOSE LIFE MADE A DIFFERENCE

Neil Goldston, 36, a lineman assigned to Santee Cooper's Garden City Distribution Operations, was killed August 22 while working on a project near the Arcadia Substation off U.S. Highway 17 near Pawleys Island. While walking between power line structures in an area marked off by safety cones, he was struck by a vehicle which ran off the highway. Goldston was a 12-year Santee Cooper employee. He is survived by his wife, Cindy and three children: Bryan, John, and Megan.

The fact that Neil Goldston's life made a difference was well-expressed in his epitaph:

"Because of Neil Goldston's devotion, family life everywhere is enriched. Because of the searching faith of Neil Goldston, religious faith in our world is strengthened. Because of Neil Goldston's commitment, those who seek to follow their star and inspiration can be hopeful. Because of Neil Goldston's fidelity, those who struggle can be inspired and strengthened. Because of Neil Goldston's presence among us and the quality of his witness, we can answer a resounding yes – one man's life has made a world of difference...."

FINANCIAL STATEMENTS

South Carolina Public Service Authority
Calendar Year 1991

REPORT OF INDEPENDENT AUDITORS

The Advisory Board and Board of Directors
South Carolina Public Service Authority

We have audited the accompanying balance sheets of the South Carolina Public Service Authority as of December 31, 1991 and 1990, and the related statements of accumulated earnings reinvested in the business, reinvested earnings, and cash flows for each of the three years in the period ended December 31, 1991. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The financial statements of the South Carolina Public Service Authority are intended to present the financial position, results of operations and cash flows of proprietary fund types of only that portion of the funds and account groups of the State of South Carolina that is attributable to the transactions of the South Carolina Public Service Authority.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the South Carolina Public Service Authority at December 31, 1991 and 1990, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 1991 in conformity with generally accepted accounting principles.

Ernst + Young

Greenville, South Carolina
February 19, 1992

BALANCE SHEETS

South Carolina Public Service Authority
December 31, 1991 and 1990

ASSETS	1991 (Thousands)	1990
Utility Plant - At Cost:		
Electric plant in service	\$ 2,372,535	\$ 2,276,237
Construction in Progress	150,649	120,100
Total	2,523,184	2,396,337
Less accumulated depreciation	689,810	630,155
Electric plant - net	1,833,374	1,766,182
Nuclear fuel - net	19,097	19,877
Utility plant - net	1,852,471	1,786,059
Other Physical Property (Net of Accumulated Depreciation)	927	897
Cash and Investments Held by Trustee (Designated)	525,863	282,522
Current Assets:		
Cash and investments held by trustee	50,023	53,960
Accounts receivable, less allowance for doubtful accounts of \$1,336,000 in 1991 and \$1,224,000 in 1990	45,596	52,446
Accrued interest receivable	4,090	3,994
Inventories, at average cost:		
Fuel (coal and oil)	32,228	36,515
Materials and supplies	33,441	28,510
Prepaid expenses	1,056	1,075
Total current assets	166,434	176,500
Deferred Debits:		
Unamortized debt expense	16,924	13,992
Unamortized loss on refunded debt	217,712	223,271
Costs to be recovered from future revenue	317,328	292,865
Other	23,322	28,491
Total deferred debits	575,286	558,619
Total	\$ 3,120,981	\$ 2,804,597

The accompanying notes are an integral part of the financial statements.

LIABILITIES AND CAPITALIZATION	1991	1990
	(Thousands)	
Long-Term Debt:		
Electric Revenue Bonds-Priority Obligations	\$ 49,705	\$ 52,095
Electric System Expansion Revenue Bonds	1,695,100	1,762,295
Subtotal	1,744,805	1,814,390
Electric System Revenue Bonds	40,500	67,500
Capitalized lease obligations	58,871	61,832
Revenue Bonds	368,910	—
Total long-term debt	2,213,086	1,943,722
Less:		
Reacquired debt	5,655	4,556
Unamortized debt discount and premium - net	40,256	21,317
Long-term debt - net	2,167,175	1,917,849
Accrued Interest on Long-Term Debt	72,296	64,056
Construction Fund Liabilities - Accounts Payable	3,861	3,273
Other Non-Current Liabilities	23,396	18,831
Current Liabilities:		
Commercial paper notes	124,000	120,000
Mini-Bonds	83,514	55,831
Accounts payable	29,991	36,327
Customer deposits	5,276	5,111
Accrued sums in lieu of taxes	1,835	1,837
Accrued nuclear fuel reload	983	5,274
Customer's credits	2,640	2,432
Other	4,273	3,252
Total current liabilities	252,512	230,064
Commitments and Contingencies Deferred Credits:		
Unamortized gain on reacquired debt	873	822
Nuclear fuel settlement	233	4,395
Total deferred credits	1,106	5,217
Capital Contributions - U.S. Government Grants	34,438	34,438
Accumulated Earnings Reinvested in the Business	566,197	530,869
Total	\$ 3,120,981	\$ 2,804,597

STATEMENTS OF ACCUMULATED EARNINGS REINVESTED IN THE BUSINESS

South Carolina Public Service Authority

Years Ended December 31, 1991, 1990, and 1989

	1991	1990 (Thousands)	1989
Accumulated earnings reinvested in the business - beginning of year	\$ 530,869	\$ 496,497	\$ 458,371
Reinvested earnings for the year	40,968	40,001	43,492
Total	571,837	536,498	501,863
Distribution to the State of South Carolina (See note below)	5,640	5,629	5,366
Accumulated earnings reinvested in the business -end of year	\$ 566,197	\$ 530,869	\$ 496,497

Note: The distribution to the State of South Carolina is determined utilizing a calculation formula required under the Indenture which is based essentially on operating cash flows and mandatory reserve requirements. Such calculation varies substantially from reinvested earnings for the year principally due to costs to be recovered from future revenue and working capital requirements.

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF REINVESTED EARNINGS

South Carolina Public Service Authority

Years Ended December 31, 1991, 1990, and 1989

	1991	1990 (Thousands)	1989
Operating Revenues:			
Sales of electricity	\$ 557,736	\$ 548,066	\$ 549,578
Other operating revenues	4,842	5,914	5,216
Total operating revenues	562,578	553,980	554,794
Operating Expenses:			
Operation expense:			
Production	232,219	241,682	248,231
Purchased and interchanged power - net	9,220	5,170	8,007
Transmission	3,028	2,708	2,375
Distribution	3,698	3,048	2,696
Customer accounts	3,639	4,650	3,531
Sales	1,266	1,263	735
Administrative and general	41,037	40,711	38,873
Maintenance expense	50,213	42,511	37,561
Total operation and maintenance expense	344,320	341,743	342,009
Depreciation	70,846	67,538	69,570
Sums in lieu of taxes	3,364	3,426	3,449
Total operating expenses	418,530	412,707	415,028
Operating income:	144,048	141,273	139,766
Other income:			
Interest income	29,302	22,858	24,461
Other - net	52	14	(41)
Total other income	29,354	22,872	24,420
Subtotal	173,402	164,145	164,186
Interest Charges:			
Interest on long-term debt	133,619	131,197	133,606
Other	23,279	19,474	15,881
Total interest charges	156,898	150,671	149,487
Subtotal	16,504	13,474	14,699
Other:			
Costs to be recovered from future revenue	24,464	26,527	28,793
Reinvested Earnings	\$ 40,968	\$ 40,001	\$ 43,492

The accompanying notes are an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

South Carolina Public Service Authority
Years Ended December 31, 1991, 1990, and 1989

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1991	1990	1989
		(Thousands)	
Cash Flows From Operating Activities:			
Net Operating Income	\$ 144,048	\$ 141,273	\$ 139,766
Adjustments to reconcile reinvested earnings to net cash provided by operating activities:			
Depreciation and amortization	70,846	67,538	69,570
Amortization of bond-related expenses	12,439	9,957	10,145
Net interest income	(6,493)	(8,360)	(7,263)
Nuclear fuel settlement	(4,162)	(3,654)	201
Changes in assets and liabilities:			
Accounts receivable	6,850	9,441	(13,299)
Inventories	(644)	(268)	(20,608)
Prepaid expenses	19	(132)	(92)
Other deferred debits	(7,202)	613	(3,898)
Accounts payable	(4,508)	511	3,969
Other current liabilities	3,354	(8,036)	14,616
Other non-current liabilities	4,563	3,539	4,796
Net cash provided by operating activities	219,110	212,422	197,903
Cash Flows From Investing Activities:			
Net (increase) decrease in investments	(137,668)	(29,897)	(49,878)
Interest on investments	22,544	19,471	20,875
Net cash (used in) provided by investing activities	(115,124)	(10,426)	(29,003)
Cash Flows From Noncapital-Related Financing Activities:			
Distribution to the State of South Carolina	(5,640)	(5,629)	(5,366)
Net cash used for noncapital related financing activities	(5,640)	(5,629)	(5,366)
Cash Flow From Capital-Related Financing Activities:			
Proceeds from sale of bonds	398,093	21,416	17,403
Proceeds from sale of commercial paper	4,000	70,000	—
Repayment and refunding of bonds	(99,934)	(35,571)	(34,570)
Construction and betterments of utility plant	(136,466)	(92,473)	(85,153)
Interest paid on borrowings	(141,703)	(139,399)	(134,279)
Proceeds from sale of plant assets	(822)	438	509
Unamortized bond-related expenses	(28,700)	399	420
Decrease (increase) in other deferred debits	12,372	(8,777)	(7,969)
(Decrease) increase in construction fund liabilities	(1,240)	2,236	451
Other	(2,211)	(2,877)	(2,811)
Net cash used for capital-related financing activities	3,389	(184,608)	(245,999)

	1991	1990	1989
Net (Decrease) Increase in Cash and Cash Equivalents	101,735	11,759	(82,465)
Cash and Cash Equivalents at the Beginning of the Year	127,348	115,589	198,054
Cash and Cash Equivalents at the End of the Year	\$ 229,083	\$ 127,348	\$ 115,589
Reconciliation of Cash and Cash Equivalents:			
Cash and investments held by trustee (designated)	\$ 525,863	\$ 282,522	\$ 253,955
Cash and investments held by trustee	50,023	53,960	40,869
Less investments, not considered cash and cash equivalents	346,803	209,134	179,235
Cash and cash equivalents at the end of the year	\$ 229,083	\$ 127,348	\$ 115,589

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 1991

Note 1 - Summary of Significant Accounting Policies:

A. Reporting Entity - The South Carolina Public Service Authority (the "Authority"), a component unit of the State of South Carolina, was created by the 1934 State Legislature. The Board of Directors is appointed by the Governor of South Carolina. The purpose of the Authority is to provide electric power to the people of South Carolina. Capital projects are funded by bonds issued by the Authority and internally generated funds. The Board of Directors sets rates charged to customers to pay debt service, operating expenses and provide funds required under bond covenants.

B. System of Accounts - The accounting records of the Authority are maintained substantially in accordance with the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission (FERC).

C. Utility Plant Capitalization and Maintenance - Additions to plant are recorded at cost, which includes material, labor, overhead, and interest capitalized during construction. The costs of repairs and minor replacements are charged to appropriate operating and maintenance expense. The costs of renewals and betterments are capitalized. The original cost of utility plant retired and the cost of removal less salvage are charged to accumulated depreciation.

D. Depreciation - Depreciation is computed on a straight line basis over the estimated useful lives of the various classes of the plant. Annual depreciation provisions, expressed as a percent of average depreciable utility plant in service, were approximately 3.3% for each of the three years in the period ended December 31, 1991. Amortization expense of capitalized leases is included in depreciation expense.

E. Revenue Recognition - Substantially all wholesale and industrial revenues are billed and recorded at the end of each month. Revenues from retail customers are recognized as billed on a monthly cycle basis. Fuel costs are reflected in operating expenses as consumed.

F. Amortization - Unamortized debt discount, premium and expense are amortized to income over the terms of the related debt issues. Unamortized gains or losses on refunded debt are amortized to income as impacted through the rate-making process, generally over the terms of the new debt issues.

G. Cash Equivalents - For purposes of the statements of cash flows, the Authority considers highly liquid investments with an original maturity of less than three months as cash equivalents. In 1991, the Authority changed the definition of cash equivalents to include certain Cash and Investments Held by Trustee (Designated). Consequently, the prior years' financial statements are presented on a basis consistent with that of 1991.

Note 2 - Costs to be Recovered from Future Revenue:

The Authority's electric rates are established based upon debt service and operating fund requirements. Depreciation is not considered in the cost of service calculation. This results in timing differences between costs as defined in the rate-making process and costs determined in accordance with generally accepted accounting principles. These differences are recognized as costs to be recovered from future revenue. The recovery of outstanding amounts associated with costs to be recovered from future revenue will coincide with the retirement of the outstanding long-term debt of the Authority.

For the years ended December 31, 1991, 1990 and 1989, costs to be recovered from future revenue included in the statement of reinvested earnings consists principally of the difference between depreciation and debt service requirements.

Note 3 - Cash and Investments Held by Trustee (Designated):

Unexpended funds from the sale of expansion bonds, debt service funds, other special funds and cash and investments are held and maintained by trustees and their use designated in accordance with applicable provisions of various trust indentures, bond resolutions, lease agreements, and the Enabling Act included in the South Carolina law. Such funds consist principally of investments in government securities carried at amortized cost.

Cash Cash is categorized as follows: Category 1 includes bank balances entirely covered by federal depository insurance. Category 2 includes bank balances that are uncollateralized or collateralized with securities held by pledging financial institutions but not in the Authority's name.

Investments - Trust indentures and resolutions authorize the Authority to invest in obligations of the U.S. Treasury, agencies, instrumentalities, and certificates of deposit. The Authority's investments consist of U.S. Government securities, certificates of deposit and repurchase agreements. The Authority requires that securities underlying repurchase agreements have a market value of at least 102 percent of the cost of the repurchase agreement. Securities underlying repurchase agreements are delivered by broker-dealers to the Authority's trust agents. At December 31, 1991, the Authority's repurchase agreements totalled \$165,025,000.

The Authority's investments are categorized (See following page) to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by trust agents in the Authority's name. Category 2 includes uninsured certificates of deposit which are collateralized with securities held by the pledging financial institution but not in the Authority's name.

	1991					
	Investments		Cash		Total	
	Category 1	Category 2	Category 1	Category 2	Carrying Value	Market Value
(Thousands)						
Cash and Investments						
Held by Trustee (Designated):						
General Improvement Funds	\$ 117,911	\$ 200	\$ 38	\$ 843	\$ 118,992	\$ 119,332
Debt Service and Special Funds						
Indentured Bonds						
Interest Fund	990	—	—	—	990	990
Bond Fund	1,231	—	—	—	1,231	1,231
Reserve	8,898	—	—	—	8,898	9,078
Expansion Bonds						
Interest Fund	—	—	—	57,218	57,218	57,218
Bond Fund	11,784	—	—	305	12,089	12,166
Reserve	121,921	—	81	—	122,002	129,687
Subordinated Bonds						
Interest Fund	—	—	—	1,661	1,661	1,661
Bond Fund	6,564	—	100	73	6,737	6,781
Reserve	3,219	1,200	—	36	4,455	4,463
Revenue Bonds						
Interest Fund	7,314	—	1	—	7,315	7,316
Bond Fund	758	—	23	—	781	789
Reserve	13,980	—	11	—	13,991	15,099
Mini-Bonds						
Interest 1988 & 1989	5	—	—	1,098	1,103	1,103
Debt Service						
1989 & 1989 Issue	1,112	—	—	1	1,113	1,154
Funded Interest 1991 Issue	44,120	—	1	—	44,121	45,647
Other Special Funds	139,836	—	—	(16,670)	123,166	121,942
Total	361,732	1,200	217	43,722	406,871	416,325
Total Cash and Investments						
Held by Trustee (Designated)	\$ 479,643	\$ 1,400	\$ 255	\$ 44,565	\$ 525,863	\$ 535,657
Cash and Investments Held by Trustee:						
Revenue Fund	\$ 28,594	\$ —	\$ —	\$ 14,025	\$ 42,619	\$ 42,777
Special Reserve Fund	7,309	—	100	(5)	7,404	7,588
Total Cash and Investments						
Held by Trustee	\$ 35,903	\$ —	\$ 100	\$ 14,020	\$ 50,023	\$ 50,365

	1990					
	Investments		Cash		Total	
	Category 1	Category 2	Category 1	Category 2	Carrying Value	Market Value
(Thousands)						
Cash and Investments						
Held by Trustee (Designated):						
General Improvement Funds	\$ 25,175	\$ 100	\$ 14	\$ 399	\$ 25,688	\$ 25,699
Debt Service and Special Funds						
Indentured Bonds						
Interest Fund	1,026	—	—	—	1,026	1,026
Bond Fund	1,196	—	—	—	1,196	1,196
Reserve	8,899	—	—	—	8,899	9,033
Expansion Bonds						
Interest Fund	—	—	—	60,068	60,068	60,068
Bond Fund	10,881	—	—	2	10,883	10,883
Reserve	127,892	—	—	18	127,917	130,958
Subordinated Bonds						
Interest Fund	—	—	—	2,768	2,768	2,768
Bond Fund	6,750	—	—	—	6,750	6,750
Reserve	3,637	1,400	—	—	5,039	5,049
Revenue Bonds						
Interest Fund	—	—	—	307	307	307
Reserve	769	—	—	—	769	769
Mini-Bonds Interest 1988 & 1989	1,110	—	—	—	1,110	1,110
Debt Service						
1989 & 1989 Issue	1,113	—	—	—	1,113	1,113
Other Special Funds	37,136	—	—	(8,147)	28,989	26,248
Total	200,418	1,400	—	55,016	256,834	257,278
Total Cash and Investments						
Held by Trustee (Designated)	\$ 225,593	\$ 1,500	\$ 14	\$ 55,415	\$ 282,522	\$ 282,977
Cash and Investments Held by Trustee:						
Revenue Fund	\$ 37,473	\$ —	\$ —	\$ 2,141	\$ 39,614	\$ 39,666
Special Reserve Fund	14,232	—	100	14	14,346	14,443
Total Cash and Investments						
Held by Trustee	\$ 51,705	\$ —	\$ 100	\$ 2,155	\$ 53,960	\$ 54,109

Note 4 - Long-Term Debt Outstanding:

	December 31,	
	1991	1990
	(Thousands)	
Electric Revenue Bonds - Priority Obligations:		
Series of 1950, bearing interest at 2.70% and due 1992 to 1993	\$ 4,065	\$ 6,015
Series of 1967, bearing interest at 4.10% and due 1992 to 2006	45,640	46,080
Total Electric Revenue Bonds - Priority Obligations	49,705	52,095
Electric System Expansion Revenue Bonds:		
1973 Series, bearing interest from 5.40% to 5.75% and due 1992 to 1993 and 2013	86,600	88,055
1974 Series, bearing interest from 6.30% to 6.75% and due 1992 to 1999 and 2014	95,770	97,360
1977 Refunding Series, bearing interest from 5.40% to 6.00% and due 1992 to 1997 and 2002 and 2016	175,955	179,785
1977 Series, bearing interest from 5.00% to 5.75% and due 1992 to 2002 and 2017	110,115	110,705
1978 Series, bearing interest from 5.15% to 5.875% and due 1992 to 1998 and 2008 and 2018	190,270	191,490
1979 Series A, bearing interest from 5.90% to 6.875% and due 1992 to 2003 and 2009 and 2019	100,500	101,740
* 1980 Series A, bearing interest at 9.30% and due 1992	1,350	7,440
* 1981 Series A, bearing interest at 8.60% and due 1992	1,165	10,290
* 1981 Series C, matured 1991	—	1,185
* 1982 Series A, matured 1991	—	2,105
* 1982 Series B, bearing interest at 11.25% and due 1992	1,195	2,255
* 1982 Refunding Series, bearing interest from 8.40% to 8.75% and due 1992 to 1994	2,075	2,660
* 1985 Refunding Series, bearing interest from 7.75% to 9.10% and due 1992 to 2000	7,820	8,385
* 1985 Refunding Series A, bearing interest from 7.50% to 8.75% and due 1992 to 1999	18,650	51,560
1986 Refunding Series A&B, bearing interest from 7.00% to 8.10% and due 1992 to 2008 and 2019 and 2020	194,065	195,955
1986 Refunding Series C&D, bearing interest from 5.60% to 7.30% and due 1992 to 2007 and 2012 and 2021 and 2022	332,370	333,245
1987 Refunding Series A, bearing interest from 5.00% to 7.00% and due 1992 to 2007 and 2012 and 2021 and 2022	188,625	189,505
1988 Refunding Series A, bearing interest from 7.00% to 7.875% and due 1992 to 2005 and 2015 and 2021	188,575	188,575
Total Electric System Expansion Revenue Bonds	1,695,100	1,762,295
* Electric System Revenue Bonds, 1985 Series, bearing interest from 8.00% to 8.40% and due 1992 to 1994	47,500	67,500
Capitalized Subordinated Lease Contracts, payable 1992 to 2015	18,871	61,832
Revenue Bonds, 1991 Refunding and Improvement Series A, B, & C, bearing interest from 5.00% to 7.10% and due 1992 to 1997 to 2002, 2006, and 2014, 2024 and 2031	348,910	—
Total Long-Term Debt	\$2,213,086	\$1,943,722

* See schedule for refunded debt.

The Authority refunds and defeases debt primarily as a means of reducing debt service, thereby postponing or reducing future electric rate adjustments. In 1991, the Authority issued \$370,410,000 in 1991 Series A, B and C Revenue Bonds. The 1991 Refunding Series A Bonds totaled \$33,915,000 and refunded \$32,500,000 of the 1985A Refunding Bonds. The 1991 Refunding and Improvement Series B Bonds totaled \$323,140,000. Of this amount, \$13,405,000 was used to refund \$13,500,000 of the 1985 Subordinated Bonds. The 1991 Refunding Series C Bonds totaled \$13,355,000 and refunded \$4,855,000 of the 1980 Series A Bonds and \$8,075,000 of the 1981 Series A Bonds.

The par amount of the refunding bonds less an original issues discount of \$400,000 totaled \$60,275,000 and bear an average interest rate of 7.28%, while the original bonds

refunded averaged 8.98%. Expenses for issuance costs and reserve requirements reduced the proceeds to \$57,677,000. The net proceeds, \$57,677,000 plus an additional \$6,611,000 of the Authority funds were used to purchase U. S. Government securities, of which, \$50,400,000 were placed in an irrevocable trust to provide for all future debt service payments on the original bonds, which are now considered defeased and the liability has been removed from the Authority's accounts. The remaining portion of the U. S. Government securities, \$13,888,000 was set aside to meet previously existing bond maturities on July 1, 1991.

Although the refundings resulted in a deferred accounting loss of approximately \$4,856,000, the Authority was able to reduce its total debt service by approximately \$6,283,000 and obtain an economic gain of approximately \$7,799,000.

Amounts outstanding, original loss on refunding, and the unamortized loss at December 31, 1991 follow:

Refunding Issue	Refunded Bonds	Refunded Amount Out standing	Original Loss	Un-amortized Loss
(Thousands)				
1977 Refunding	1971 and 1976 Series	\$ —	\$ 11,244	\$ 5,829
1982 Refunding	\$ 100,000 of the 1981 Series C and \$ 127,000 of the 1982 Series A	—	62,588	1,641
1985 Refunding	\$ 150,000 of the 1982 Series B	150,000	30,576	7,309
1985A Refunding	\$ 139,000 of the 1981 Series B and \$ 40,000 of the 1981 Series C	—	27,853	698
Cash Defeasance	\$ 20,000 of the 1982 Series A	—	2,763	2,247
1986 A&B Refunding	\$ 42,725 of the 1980 Series A \$ 42,000 of the 1981 Series A \$ 61,000 of the 1981 Series B \$ 4,420 of the 1981 Series C \$ 7,820 of the 1982 Series A \$ 9,010 of the 1982 Series B	9,010	43,736	39,364
1986 C&D Refunding	\$ 280,275 of the 1982 Refunding Series	280,275	97,109	86,755
1987 A Refunding	\$ 160,510 of the 1985 Refunding Series	160,510	48,038	41,314
1988 A Refunding	\$ 18,220 of the 1980 Series A \$ 18,315 of the 1981 Series A \$ 9,110 of the 1982 Refunding Series \$ 5,000 of the 1985 Refunding Series \$ 120,890 of the 1985 Refunding Series A	135,000	28,644	27,934
1991 A,B&C Refunding & Improvement Series	\$ 4,855 of the 1980 Series A \$ 8,075 of the 1981 Series A \$ 13,500 of the 1985 Series \$ 32,500 of the 1985 Refunding Series	46,000	4,856	4,621
Total		\$ 780,795	\$ 357,401	\$ 217,712

The Authority's bond indentures provide for certain restrictions, the most significant of which are:

1. The Authority covenants to establish rates sufficient to pay all debt service, required lease payments, capital improvement fund requirements and all costs of operation and maintenance of the Authority's electric system and all necessary repairs, replacements, and renewals thereof.

2. The Authority is restricted from issuing additional parity bonds unless certain conditions are met.

As of December 31, 1991, the Authority is in compliance with all debt covenants.

Bonds maturing during the years ending December 31, 1992 through 1996, are as follows:

	Priority Obligations & Expansion Bonds	Electric Revenue Bonds	Revenue Bonds	Total
	(Thousands)			
December 31, 1992	\$ 26,685	\$ 13,500	\$ 1,565	\$ 41,750
December 31, 1993	25,635	13,500	4,415	43,550
December 31, 1994	27,155	13,500	4,680	45,335
December 31, 1995	28,825	—	18,480	47,315
December 31, 1996	32,570	—	—	32,570
Total	\$ 140,880	\$ 40,500	\$ 29,140	\$ 210,520

Note 5 - Summer Nuclear Station:

The Authority and South Carolina Electric and Gas (SCE&G) are parties to a joint ownership agreement providing that the Authority and SCE&G shall own the Summer Nuclear Station with undivided interests of 23 1/3% and 66 2/3%, respectively. SCE&G is solely responsible for the design, construction, budgeting, management, operation, maintenance, and decommissioning of the Summer Nuclear Station, and the Authority is obligated to pay its ownership share of all costs relating thereto. The Authority receives 33 1/3% of the net electricity generated. At December 31, 1991 and 1990, the plant accounts included approximately \$438,771,000 and \$428,779,000, respectively, representing the Authority's investment, including capitalized interest, in the Summer Nuclear Station. For each of the three years ended December 31, 1991, 1990, and 1989 the Authority's operation and maintenance expenses included \$30,880,000, \$33,167,000 and \$37,663,000, respectively, for operation and maintenance expenses of the Summer Nuclear Station.

Nuclear fuel costs are being amortized based on energy expended which includes a component for estimated disposal costs of spent nuclear fuel. These amortizations are included in fuel expense and are recovered through the Authority's rates. Beginning in 1990, the Authority adjusted its provision for decommissioning costs to comply with NRC regulation and has provided a Certificate of Financial Assurance for its 1/3 share of the station's estimated decommissioning expenses. The Authority accrues for its share of the estimated decommissioning costs over the remaining life of the facility. These costs are being recovered through the Authority's rates. The funding amounts will be adjusted annually, if necessary. A new site specific decommissioning study was completed in 1991. The study

indicates approximately \$76,266,000 (the Authority's one-third share) in 1990 dollars will be required to decommission Summer Nuclear Station commencing in the year 2023.

SCE&G has determined that the Summer Nuclear Station steam generators must be replaced due to stress corrosion cracking. SCE&G estimates replacement of the steam generators will cost approximately \$156 million of which, the Authority's share will be approximately \$52 million exclusive of the Authority's indirect costs. Replacement of the generators is scheduled for 1996. SCE&G has filed suit against the manufacturer of the generators seeking damages for the replacement of the generators. The ultimate outcome of the claim cannot be determined at this time, accordingly no benefit has been recorded in the financial statements.

The supplier under the original uranium supply contract breached the contract in 1975 due to uranium market conditions. SCE&G initiated action seeking specific performance of the contract provisions, and a final settlement was reached and approved by all parties in April 1980. By terms of the settlement, the Authority has received approximately \$10,243,000 in cash as partial settlement of the lawsuit. Additionally, the agreement provides for delivery of uranium, long-term deliveries of equipment and services (including conversion and fuel fabrication) at a discount. The cash and discounts received (and related interest earned) which approximated \$16,572,000, were recorded as deferred credits. During 1991, deferred credits (and related interest) of approximately \$4,299,000 were used to offset the additional fuel costs associated with replacement energy during the Summer Nuclear Station refueling outage. The remaining deferred credits of \$233,000 will be used during scheduled refueling outages in future years.

Note 6 - Commercial Paper and Mini-Bonds:

The Board of Directors authorized the issuance of commercial paper not to exceed \$150,000,000. The paper is issued for valid corporate purposes with a term not to exceed 270 days. As of December 31, 1991 and 1990, the effective interest rate on outstanding borrowings was 4.20% and 6.02%, respectively. During 1991 and 1990, the average amount outstanding was \$123,880,000 and \$96,410,000, respectively; the average maturity was 44 and 37 days, respectively; the average effective interest rate was 4.60% and 6.06%, respectively.

At December 31, 1991 the Authority had a Revolving Credit Agreement of \$150,000,000. This agreement is used to support the Authority's issuance of commercial paper. There were no borrowings during 1991.

In 1988 and 1989 the Authority issued bonds which are due on demand by the registered owner in small denominations under a Mini-Bond Resolution. In 1990 the Revenue Bond Resolution was adopted and all senior debt including the existing 1988 and 1989 Mini-Bonds were frozen except for Refunding purposes. Under the Revenue Bond Resolution, small denomination bonds due on demand (Series M Bonds) were issued. The Mini-Bonds and the Series M Bonds are collectively referred to as "Mini-Bonds" because they retain the same characteristics even though they are different lien levels. The pledge of revenues securing Revenue Bonds are junior and subordinate to the pledge of revenues securing the Priority Obligation, Electric System Expansion Revenue Bonds, 1985 Subordinated Bonds, and the 1988 and 1989 Mini-Bonds and Capital Lease Obligation, but are superior to the lien and pledge of revenues securing the Commercial Paper Notes, payments to the Contingency Fund, Capital Improvement Fund, Special Reserve Fund and payments to the State.

Commercial Paper and Mini-Bonds outstanding for the years ending December 31, are:

	1991	1990
	(Thousands)	
Commercial Paper	\$ 124,000	\$ 120,000
Mini-Bonds:		
1988 Series, bearing interest at 7.75% and due 2003	16,711	16,841
1989 Series, bearing interest at 7.00% and due 2004	18,018	17,816
Total Mini-Bonds	34,729	34,657
Revenue Bonds:		
1990 Series M, bearing interest at 7.30% and due 2005 and 2006	21,495	21,174
1991 Series M, bearing interest at 6.675% and due 2007 and 2008	27,290	—
Total Revenue Bonds	48,785	21,174
Total Commercial Paper and Mini-Bonds	\$ 207,514	\$ 175,831

Note 7 - Contracts with Central Electric Power Cooperative, Inc.:

The Authority has lease contracts with Central Electric Power Cooperative, Inc. (Central) covering a steam electric generating plant, transmission facilities, and various other facilities. The lease terms range from four to twenty-four years. Quarterly lease payments are based on a sum equal to the interest on and principal of Central's indebtedness to the Rural Electrification Administration for funds borrowed to construct the above-mentioned facilities. The Authority has options to purchase the leased properties at any time during the period of the lease agreements for sums equal to Central's indebtedness remaining outstanding on the property involved at the time the options are exercised or to return the properties at the termination of the lease. The Authority plans to exercise each and every option to acquire ownership of such facilities prior to expiration of the leases.

Future minimum lease payments on Central leases, at December 31, 1991 were:

Years ending December 31:	Amount
	(Thousands)
1992	\$ 5,259
1993	5,259
1994	5,240
1995	5,233
1996	5,228
Thereafter	56,832
Total minimum lease payments	83,051
Less, amounts representing interest	24,180
Balance at December 31, 1991	\$ 58,871

Lease property under capitalized leases and related accumulated amortization included in utility plant at December 31, 1991 totalled \$101,400,000 and \$51,900,000, respectively, and at December 31, 1990 totalled \$102,000,000 and \$49,500,000, respectively.

Power supply and transmission services are provided to Central in accordance with the Power System Coordination and Integration Agreement dated January 19, 1981, and amended as of March 31, 1988. The amendment provides for a change in the Authority's rate-making methodology for Central. In addition, the Authority will be the sole supplier of Central's energy needs excluding what Central receives from the Southeastern Power Administration and SCE&G. The agreement allows Central to audit all charges by the Authority. Audits for the period July 1986 through December 1989 were presented to management and have been discussed with Central. Management does not believe there will be any material effect to the Authority as a result of these audits.

Note 8 - Commitments and Contingencies:

Budget - The Authority's capital budget provides for expenditures of approximately \$276,500,000 during the year ending December 31, 1992, and \$532,900,000 during the two years thereafter.

Future Generation - The Authority's Board of Directors approved the construction of a second 540-megawatt coal-fueled electric generating unit at the C.W. Smith Plant with power generation to begin no later than May 1995.

The estimated cost of construction is expected to total approximately \$508.7 million which includes \$466.6 million for the generating unit, \$25.9 million for related transmission facilities, \$9.3 million for coal cars and \$6.9 million for the initial coal stockpile.

Property Acquisitions - The Authority is obligated to acquire certain properties under the terms of a FERC mandated Comprehensive Emergency Action Plan (EAP). The cost of the acquisitions cannot be determined at this time, however, the acquisitions are currently underway and are scheduled to be finalized by March 1992. All other requirements of the EAP have been completed.

Purchase Commitments - The Authority has contracted for long-term coal purchases under contracts with outstanding minimum obligations at December 31, 1991 aggregating approximately \$170.8 million through December 31, 2000. In addition, the Authority has entered into short-term agreements to purchase 1,311,000 tons of coal through June 30, 1992. The Authority expects to finalize new long-term contracts prior to June 1992.

The Authority is involved in litigation with two coal companies regarding long-term coal contracts (not included in the minimum obligations mentioned above). The contracts provide for delivery of 4.25 million tons of coal during the period from 1991 to 2004. As a result of the litigation, coal deliveries were suspended by the vendors on August 14, 1991. The Authority has determined that sources of coal are available to purchase replacement coal on a competitive price on an as needed basis.

The litigation against the two coal companies involves multiple claims and counter claims. Motions are pending in the South Carolina Supreme Court and the United States Court of Appeals. Pursuant to Warrants of Attachment issued by the Berkeley County Clerk of Court, payments on deliveries of coal from April through August 14, 1991 totalling approximately \$33,063,000 have been placed in an interest bearing account at the South Carolina National Bank pending outcome of the litigation. The Authority is unable to predict the outcome of this litigation, accordingly, nothing relative to this litigation has been recorded in the financial statements.

The Authority's outstanding minimum obligations under existing purchased power contracts as of December 31, 1991 were approximately \$145.7 million through March 2035.

The Authority has commitments of approximately \$12.3 million under the joint ownership agreement with SCE&G for the purchase, conversion, enrichment and fabrication of uranium.

Note 9 - Retirement Plans:

Substantially all Authority full-time employees must participate in the South Carolina Retirement System ("System"), a cost-sharing multiple-employer public employee retirement system. The payroll for employees covered by the System for each of the years ended December 31, 1991, 1990 and 1989 was \$57,125,000, \$53,355,000 and \$51,869,000, respectively.

Employees who retire at or after age 65 or have 30 years of service are entitled to a retirement benefit, payable monthly for life equal to 1.82 percent of their average final compensation. Benefits fully vest on reaching five years of service. Vested employees may retire at 60 and receive reduced retirement benefits. The System also provides death and disability benefits. Benefits are established by State statute.

Employees are required by State statute to contribute 6 percent of salary. The Authority is required by the same statute to contribute 7.55 percent of total payroll. The contribution requirement for each of the years ended December 31, 1991, 1990 and 1989 was \$4,449,000, \$4,109,000 and \$3,780,000 from the Authority for all retirement benefits and \$3,431,000, \$3,198,000 and \$3,112,000 from employees.

An actuarial valuation is performed for the System annually. At the most recent valuation date, June 30, 1990, the pension benefit obligation for retired and active members was approximately \$10.3 billion. The amortized cost of assets of the System was approximately \$7.5 billion. The unfunded pension obligation was approximately \$2.8 billion. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure, which is an actuarial present value of credited projected benefits, is intended to help users assess the System funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems. The System does not make separate measurements of assets and benefits payable for individual employers. The Authority's contribution represented approximately two percent of the total contribution to the System.

Ten-year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 1991 comprehensive annual financial report.

Note 10 - Other Post-Retirement Benefits:

The Authority provides certain health care, dental, and life insurance benefits for retired persons. Substantially all of the Authority's employees may become eligible for these benefits if they are age 65 or have completed 30 years of employment. The cost of retiree health care, dental, and life insurance benefits is recognized as expense as the premiums are paid. For 1991, 1990 and 1989, these costs totalled \$329,000, \$279,000 and \$215,000, respectively.

The Authority also provides deferred compensation benefits to

certain employees who are eligible to retire with ten years of service and have reached the age of 50. The cost of these benefits are accrued on an actuarially determined basis. As of December 31, 1991, there were 45 active participants. The actuarial accrued liability at December 31, 1991 and 1990 was approximately \$2,676,000 and \$2,307,000, respectively.

Note 11 - Credit Risk and Major Customers:

Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers in the Authority's customer base and their dispersion across different industries. The Authority maintains an allowance for losses based upon the expected collectibility of all accounts receivable.

Sales to two major customers for the years ended December 31, were:

	1991	1990	1989
	(Thousands)		
Central Electric Power Cooperative, Inc.	\$ 242,000	\$ 225,000	\$ 221,000
Alumax of South Carolina, Inc.	\$ 88,000	\$ 84,000	\$ 82,000

During the three-year period ended December 31, 1990, Alumax of South Carolina, Inc. was entitled to receive, under the contract amendment dated January 1, 1986, rate relief up to \$17.6 million per year. The rate reduction is available if the average monthly price of aluminum is \$.62 (1986 dollars) per pound or below provided Alumax operates at a specified load. Alumax must begin to repay the rate relief if the price of aluminum is \$.72 (1986 dollars) per pound or more. During the period 1991 through 1993, Alumax is required to repay such granted net rate relief in the monthly amount of \$1.467 million for any month in which the price of aluminum equals or exceeds \$.72 (1986 dollars) per pound.

No rate relief was granted to Alumax in 1991, relief granted totalled \$4.4 million for 1990 and there was no rate relief in 1989.

Note 12 - Storm Damage:

On September 21, 1989, the Authority's system was substantially damaged by Hurricane Hugo. Through December 1991, the Authority has incurred approximately \$22.4 million to repair and replace damaged facilities and systems. Substantially all such costs have been funded by insurance proceeds and Federal Emergency Assistance grants.

The Authority does not expect to increase rates due to the impact of Hurricane Hugo and foresees no measurable long term impact on its operations or the demand for electricity by its customers.

Note 13 - 1991 Revenue Bonds:

On December 21, 1991, the Authority's Board of Directors authorized the sale of \$350,000,000 Revenue Bonds, 1991 Series D (1991 D Bonds). The 1991 D Bonds were closed on January 16, 1992. The 1991 D Bonds proceeds plus accrued interest of \$2,834,259 will be used for the construction of the Cross No. 1 unit at the Cross generating station. Bond proceeds of approximately \$30,000,000 will be used to retire outstanding Commercial Paper notes issued previously for the Cross No. 1 project.

The 1991 D Bonds were sold at an all end true interest cost of 6.73% and are due July 1992 to 1997 to 2002, 2006, and 2014, 2024 and 2031.

AUDIT COMMITTEE CHAIRMAN'S LETTER

The Finance-Audit Committee of the Board of Directors is composed of five independent directors: Leon S. Goodall, chairman; Walter T. Cox, A. Clint Gossett, D. Gene Rickenbaker, and Johnnie (Joe) Young. The Committee meets monthly with members of management and Internal Audit to review and discuss their activities and responsibilities.

The Finance-Audit Committee oversees Santee Cooper's financial reporting and internal auditing processes on behalf of the Board of Directors. Monthly briefings on the financial statements and periodic reports from management and the internal auditors pertaining to operations and representations were received. In fulfilling its responsibilities, the Committee also reviewed the overall scope and specific plans for the respective audits by the internal auditors and the independent public accountant. The Committee discussed the Company's financial statements and the adequacy of its internal controls.

The Committee met with the independent public accountant, without management present, to discuss the results of the examination, the evaluation of Santee Cooper's internal controls, and the overall quality of Santee Cooper's financial reporting.



Leon S. Goodall, Chairman

Finance-Audit Committee

SCHEDULE OF BONDS OUTSTANDING

As of December 31, 1991

(In Thousands)

Maturity Date	1980 Series	1987 Series	1973 Series	1974 Series	1977 Refunding Series	1977 Series	1978 Series	1979A Series
July 1	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.	Int. Rate Amt.
1992	2.70 2,005	4.10 455*	7.40 1,530	6.30 1,695	5.40 4,035	5.00 625	5.15 1,265	5.90 1,390
1993	2.70 2,060	4.10 480*	7.40 1,530	6.30 1,745	5.40 4,260	5.10 660	5.20 1,355	5.95 1,300
1994		4.10 2,505*	6 1/4 1,700*	6.40 1,910	5.60 4,480	5.20 720	5 1/4 1,440	6.00 1,425
1995		4.10 2,720*	5 1/4 1,795*	6.40 2,035	5.65 4,710	5.30 785	5.30 1,515	6.05 1,490
1996		4.10 2,845*	5 3/4 1,900*	6.40 2,155	5.70 4,995	5.40 830	5.35 1,585	6.10 1,565
1997		4.10 2,975*	5 3/4 2,010*	6 1/2 2,295	5.70 5,265	5.45 890	5.40 1,670	6.20 1,645
1998		4.10 3,105*	5 3/4 2,125*	6 1/2 2,435	5 7/8 5,590*	5 1/2 935	5.40 1,760	6.30 1,725
1999		4.10 3,245*	5 3/4 2,245*	6 1/2 2,590	5 7/8 5,915*	5 1/2 1,005	5.70 1,850*	6.35 1,815
2000		4.10 3,395*	5 3/4 2,375*	6 3/4 2,750*	5 7/8 6,275*	5.55 1,065	5.70 1,940*	6.40 1,915
2001		4.10 3,545*	5 3/4 2,510*	6 3/4 2,920*	5 7/8 6,665*	5.60 1,130	5.70 2,045*	6.45 2,025
2002		4.10 3,705*	5 3/4 2,655*	6 3/4 3,110*	5 7/8 7,050*	5.60 1,220	5.70 2,145*	6 1/2 2,135
2003		4.10 3,870*	5 3/4 2,810*	6 3/4 3,295*	6.00 7,490*	5 3/4 1,295*	5.70 2,260*	6 1/2 2,260
2004		4.10 4,045*	5 3/4 2,970*	6 3/4 3,505*	6.00 7,950*	5 3/4 1,380*	5.70 2,380*	6 1/4 2,390*
2005		4.10 4,230*	5 3/4 3,140*	6 3/4 3,730*	6.00 8,450*	5 3/4 1,460*	5.70 2,500*	6 1/4 2,540*
2006		4.10 4,420*	5 3/4 3,325*	6 3/4 3,950*	6.00 8,970*	5 3/4 1,570*	5.70 2,630*	6 1/4 2,695*
2007			5 1/2 3,515*	6 1/4 4,205*	6.00 9,490*	5 1/4 1,795*	5.70 2,785*	6 1/4 2,865*
2008			5 3/4 3,715*	6 3/4 4,470*	6.00 9,950*	5 3/4 1,945*	5.70 2,945*	6 1/4 3,010*
2009			5 3/4 3,930*	6 3/4 4,745*	6.00 10,565*	5 3/4 2,080*	5 7/8 3,130*	6 1/4 3,180*
2010			5 3/4 4,155*	6 3/4 5,045*	6.00 11,210*	5 3/4 2,225*	5 7/8 3,345*	6 1/4 3,335*
2011			5 1/4 11,520*	6 3/4 5,350*	6.00 11,980*	5 3/4 2,180*	5 7/8 3,390*	6 1/4 3,525*
2012			5 3/4 12,180*	6 3/4 5,695*	6.00 12,515*	5 3/4 2,300*	5 7/8 3,980*	6 1/4 3,720*
2013			5 3/4 12,880*	6 3/4 6,045*	6.00 13,625*	5 3/4 2,500*	5 7/8 10,590*	6 1/4 3,925*
2014				6 3/4 20,045*	6.00 14,010*	5 3/4 2,640*	5 7/8 11,250*	6 1/4 4,140*
2015					6.00 9,515*	5 3/4 21,065*	5 7/8 11,950*	6 1/4 4,370*
2016					6.00 11,285*	5 3/4 21,235*	5 7/8 12,555*	6 1/4 4,610*
2017						5 3/4 34,580*	5 7/8 13,190*	6 1/4 4,870*
2018							5 7/8 50,670*	6 1/4 5,135*
2019								6 1/4 25,550*
2020								
2021								
2022								
2023								
2024								
2025								
2026								
2027								
2028								
2029								
2030								
2031								
Add:								
Total Outstanding								
As of 12/31/91	4,065	45,640	86,000	95,770	175,955	110,115	190,270	100,500
Bonds Redeemed								
As of 12/31/91	11,235	5,960	13,400	13,230	35,195	4,885	9,730	9,500
Bonds Refunded								
As of 12/31/91	0	0	0	0	0	0	0	0
Less:								
Accrued Value								
As of 12/31/91	-	-	-	-	-	-	-	-
Net:								
Original Issue Amt.	15,300	51,600	100,000	109,000	215,150	115,000	200,000	110,000

* Term Bonds

(1) Includes accretion on Capital Appreciation Bonds through 12/31/91.

(2) Does not include funded interest.

See Schedule of Refunded Bonds Outstanding.

SCHEDULE OF REFUNDED BONDS OUTSTANDING

As of December 31, 1991

(In Thousands)

Series Call Date	1982 F July 1, 1982		1982 F** July 1, 1982		1985 SIB July 1, 1982		1985 REF July 1, 1985		1985 A REF Jul. 1, 1985	
Original Maturity Date July 1	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount
1992										
1993	11.80	1,345								
1994	11.90	1,515								
1995	12.10	1,815			8.70	13,500				
1996	12.20	2,040								
1997	12.30	2,295								
1998										
1999										
2000										
2001										
2002			9 1/2	9,110*					9.00	32,500*
2003										
2004										
2005	12 3/4	40,000*					9 1/2	5,000*		
2006										
2007										
2008										
2009										
2010										
2011										
2012			9.60	37,235*						
2013										
2014										
2015										
2016										
2017										
2018										
2019										
2020										
2021									9.20	120,890*
2022	13.60	110,000*	9.70	243,040*			9 1/2	160,510*		
Totals Per Series		159,010		289,385		13,500		165,510		153,390
Totals Per Call Date				461,895				318,900		

*Term Bonds

1988M Mini-Bond Series Int. Rate Amt.	1988A Continuing Series Int. Rate Amt.	1989M Mini-Bond Series Int. Rate Amt.	1990M Mini-Bond Series Int. Rate Amt.	1991A S&C Refunding & Improvement Series Int. Rate Amt.	1991M Mini-Bond Series Int. Rate Amt.	Total Principal Maturities	Calendar Year Interest (2)	Total Debt Service
	7.00 845			5.00 1,567		41,750	135,788 (2)	177,538 (2)
	7.00 910			5.40 4,415		43,550	132,910 (2)	176,460 (2)
	7.75 963			5.70 4,740		45,335	129,910 (2)	175,245 (2)
	7.00 1,840			6.00 1,480		47,215	130,805 (2)	178,120 (2)
	7.00 3,895					32,510	122,903 (2)	164,773 (2)
	7.00 4,155					34,630	133,939	168,569
	7.10 6,635			6 1/4 2,935		41,810	131,408	173,218
	7.20 7,110			6 3/4 3,120		44,575	128,501	173,076
	7.30 7,650			6 40 4,205		48,860	125,353	174,213
	7.40 8,220			7 1/30 15,370		49,745	122,125	171,870
	7.40 13,520			6.70 6,240		48,616	118,963	167,638
7 3/4 16,711	7.50 330					53,101	115,595	168,696
	7.50 985	7.00 18,018 (1)				73,383 (1)	119,339	192,722 (1)
	7.60 5,385		7.30 15,654			74,524	106,815	181,339
	7 7/8 320*		7.30 5,241 (1)	7.00 3,760		51,466 (1)	114,231	165,697 (1)
	7 7/8 340*			7.00 4,025	6 7/8 20,896	69,341	99,075	168,416
	7 7/8 365*			7.00 4,305*	6 7/8 6,395 (1)	58,035 (1)	108,255	166,290 (1)
	7 7/8 395*			7.00 4,610*		55,055	91,543	146,598
	7 7/8 420*			7.00 4,930*		58,675	87,787	146,462
	7 7/8 460*			7.00 5,275*		62,565	83,778	146,343
	7 7/8 490*			7.00 15,405*		76,455	79,159	155,614
	7 7/8 525*			7.10 16,480*		81,590	73,869	155,419
	7 7/8 7,315*			7.10 11,580*		77,140	68,513	145,653
	7 7/8 8,210*			7.10 12,405*		82,385	63,205	145,590
	7 7/8 420*			7.10 13,280*		91,045	57,539	148,584
	7 7/8 450*			7.10 14,225*		96,975	51,413	148,388
	7 7/8 495*			7.10 15,235*		103,315	44,875	148,190
	7 7/8 30,040*			7.10 16,315*		106,755	37,577	144,332
	7 7/8 39,825*			7.10 17,470*		114,495	29,436	143,931
	7 7/8 36,680*			7.10 18,715*		119,420	20,777	140,197
				6 1/2 20,040*		143,390	11,572	154,962
				6 1/2 9,420*		9,420	6,492	15,912
				6 1/2 10,035*		10,035	5,860	15,895
				6 1/2 10,685*		10,685	5,186	15,871
				6 1/2 11,380*		11,380	4,469	15,849
				6.00 12,120*		12,120	3,730	15,856
				6.00 12,850*		12,850	2,987	15,837
				6.00 13,620*		13,620	2,193	15,813
				6.00 14,435*		14,435	1,351	15,786
				6.00 15,300*		15,300	459	15,759
16,711	186,575	18,018 (1)	21,495 (1)	368,910	27,291 (1)	2,237,730 (1)	7,918,991 (2)	5,156,771 (1)(2)
301	0	197	90	1,500	0	228,728		
0	0	0	0	0	0	914,985		
-	-	745	517	-	133	1,395		
17,012	188,575	17,470	21,068	370,410	27,158	3,380,048		

1980A Series Int. Rate Amt.		1981A Series Int. Rate Amt.		1982B Series Int. Rate Amt.		1982 Refunding Series Int. Rate Amt.		1985 Refunding Series Int. Rate Amt.		1985 Series Int. Rate Amt.		1985A Refunding Series Int. Rate Amt.		1985A&B Refunding Series Int. Rate Amt.		1985C&D Refunding Series Int. Rate Amt.		1987A Refunding Series Int. Rate Amt.	
0.30	1,350	8.60	1,165	11 1/4	1,195	8.40	625	7 1/4	625	8.00	13,500	7 1/2	440	7.00	5,665	5.60	925	5.00	930
						8.00	640	8.00	650	8.20	13,500	7 3/4	470	7.15	7,380	6.80	975	6.90	975
						8 1/4	750	8.20	705	8.40	13,500	8.00	510	7.30	7,890	6.00	1,030	5.90	1,025
								8.40	765			8.20	2,425	7.40	6,580	6.20	1,095	5.90	1,080
								8.60	825			8.40	2,030	7 1/2	7,645	6.40	1,160	5.90	1,140
								8.80	900			8.60	2,390	7.60	7,995	6.60	1,235	6.00	1,205
								9.00	1,060			8.70	4,980	7.70	5,525	6.70	1,320	6.10	1,280
								9.05	1,160			8 1/4	5,405	7.80	6,305	6.80	1,400	6 1/4	1,350
								9.10	1,150					7.80	13,200	6.90	1,505	6.40	1,435
														7.90	835	7.00	1,605	6 1/2	2,875
														7.90	900	7.05	1,715	6 1/2	4,280
														8.00	4,695	7.10	3,510	6.60	4,575
														8.00	5,070	7.10	4,920	6 1/4	20,390
														8.00	5,475	7.10	5,265	6 1/4	16,795
														8.00	5,910	7.20	5,625	6 1/4	2,350
														8.10	6,390	7.20	6,000	6 1/4	2,525
														8.10	6,905	7.00	6,415*	6 1/2	2,715*
														8.00	7,465*	7.00	6,850*	6 1/2	2,925*
														8.00	8,060*	7.00	7,310*	6 1/2	3,140*
														8.00	10,480*	7.00	6,025*	6 1/2	3,380*
														8.00	11,315*	7.00	6,430*	6 1/2	3,625*
														8.00	12,230*	7.20	6,870*	6.90	3,880*
														8.00	2,095*	7.30	7,915*	6.90	4,150*
														8.00	2,260*	7.30	8,145*	6.90	4,465*
														8.00	2,445*	7.30	20,430*	6.90	4,785*
														8.00	2,625*	7.30	21,875*	6.90	5,160*
														8.00	2,850*	7.30	23,425*	6.90	5,575*
														8.00	3,740*	7.30	25,080*	6.90	6,030*
														7.90	23,675*	7.30	27,005*	6.90	6,520*
																7.30	36,985*	6.90	7,040*
																6 1/2	62,325*	7.00	61,025*
1,350		1,165		1,195		2,070		7,820		40,500		18,660		194,065		332,370		188,625	
7,850		5,445		7,735		2,540		2,885		81,000		5,805		1,890		3,260		4,035	
65,000		68,390		159,010		289,385		165,510		13,500		153,390		0		0		0	
75,000		75,000		165,000		294,080		176,215		135,000		177,845		195,955		335,630		192,660	

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