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**SANTÉE ELECTRIC
COOPERATIVE NEWS**

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**SANTÉE ELECTRIC IS AN EQUAL
OPPORTUNITY PROVIDER AND
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A Touchstone Energy® Cooperative



“Whenever
Santee
Electric
makes more
money than
it costs to
run the
organization,
those
margins are
allocated to
each of you.”

The value of being an owner

AS I WAS THINKING about this month's column, I took some time to look at past topics I have covered, and I realized I have not written on one important topic in more than ten years. Therefore, I want to focus on capital credits this month.

One of the main things that separates electric cooperatives from other electric utilities is the relationship between the member owner (you) and the cooperative. The fact that you apply for membership and pay the associated fee illustrates the beginning of this difference. When you pay your \$5 membership fee (which, by the way, has not changed since 1939), you are buying part of Santee Electric. One of the seven cooperative principles is Members' Economic Participation, and this membership fee is where that participation begins.

In case you are not aware, Santee Electric Cooperative does not operate on a for-profit basis. We do not have any stockholders, but we do have all of you investing in the organization you jointly own. Each year, we balance our revenue and expenses. Any revenue remaining after we pay our operating expenses is called a margin, not a profit. Those margins are allocated to each of you, and our organization is funded in part by this "revolving equity" you have contributed. Over time, those capital credits are retired and returned to each of you.

Like other businesses, Santee Electric also funds its capital projects partly through long-term debt. However, the revolving equity our members loan to us allows us to run the cooperative on less debt (and, therefore, less interest expense) than we otherwise would have.

This model should give you comfort in a couple of ways. First, whenever Santee Electric makes more money than it costs to run the organization, those margins are allocated to each of you. Second, we pay the excess back through capital credits, some in the very next year after we receive the margins and some over time through our normal retirement cycle. This year, we gave back over \$3 million in capital credits, and we are on target to do something similar in coming years.

You might also notice each year (around March) we have extra pages in this magazine letting members know they might have unclaimed capital credits available to them. That's your money, and it's our obligation to return it to you after it has been used to finance the cooperative for a period of time.

One new initiative we are working on is a page on our website that allows members and former members to easily find unclaimed capital credits through a search engine.

I hope this month's topic has helped you understand a bit more about how an electric cooperative is different from other utilities and how you are more than customers. You are our Member Owners.

ROBERT G. ARDIS III
President and Chief Executive Officer



Climbing into a co-op service truck bucket was a big step in an important journey for Maddie Weeks.

Rising to the challenge

BY JOSH P. CROTZER

MADDIE WEEKS WAS NOT EAGER to climb into the bucket of a co-op service truck. She was not eager to stand before a roomful of students and judges, either. But by the end of Cooperative Youth Summit, the Kingstree High School student had done both—and discovered she was braver than she thought.

Weeks, a student at Kingstree High School, and Abigail Tanner of Laurence Manning Academy were sponsored by Santee Electric Cooperative on Cooperative Youth Summit, a weeklong, all-expenses-paid trip to Columbia for rising high school juniors and seniors. Over four days in July, students from across the state built leadership skills, learned how electric cooperatives and state government work and competed in the Orators Arena, a public speaking challenge in which teams of students argued for or against assigned topics.

“I wanted to improve my presentation skills and do a better job at public speaking,” says Weeks, explaining why she signed up for Youth Summit. “I was scared the first day, but I came out of my shell the last day. I had to put my big girl pants on.”

A large part of her growth by the time she spoke in front of the crowd was her experience facing another fear earlier in the week when the group visited CEEUS—the member-owned provider of supplies and materials for electric cooperatives—where each student had a chance to rise high in the bucket of a co-op service truck. Weeks was hesitant at first, but with encouragement from one of the trip’s chaperones, she faced that fear as well.

The group also spent a day at the South Carolina State House. John Frick, CEO of The Electric Cooperatives of South Carolina, talked with the students about the purpose of government, explained what lobbyists do under the dome and led them through a hands-on exercise in legislative dealmaking. The students heard from state Rep. Micah Caskey and state Sen. Russell Ott and then met Gov. Henry McMaster in his office, where they were treated to a 20-minute discussion about



Santee Electric sponsored Abigail Tanner (left) and Maddie Weeks on Cooperative Youth Summit in July.

CANYON DURHAM

the state’s history and his role as its top executive.

“I really saw different sides of government that I’ve never seen before,” says Tanner. “It was really interesting to see how that worked, up close. I didn’t realize it took so much to get a bill passed.”

Despite her newfound confidence, Weeks doesn’t see government work in her future. But she knows she has a voice to use.

“I will support and I will speak up if I need to,” she says.



In the Orator’s Arena, Tanner’s group made a persuasive argument about the impact of NIL in college athletics.

PHOTOS BY JOSH P. CROTZER