

Finance-Audit Committee Chairman's Letter

The Finance-Audit Committee of the Board of Directors is comprised of four independent directors: Paul G. Campbell Jr., Chairman, Clarence Davis, G. Dial DuBose and one vacancy.

The committee meets regularly 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.

Periodic financial statements and 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 accountants. The committee discussed the company's financial statements and the adequacy of its system of internal controls. The committee met with the independent public accountants and with the General Auditor to discuss the results of the audit, the evaluation of Santee Cooper's internal controls, and the overall quality of Santee Cooper's financial reporting.



Paul G. Campbell
Chairman
Finance-Audit Committee