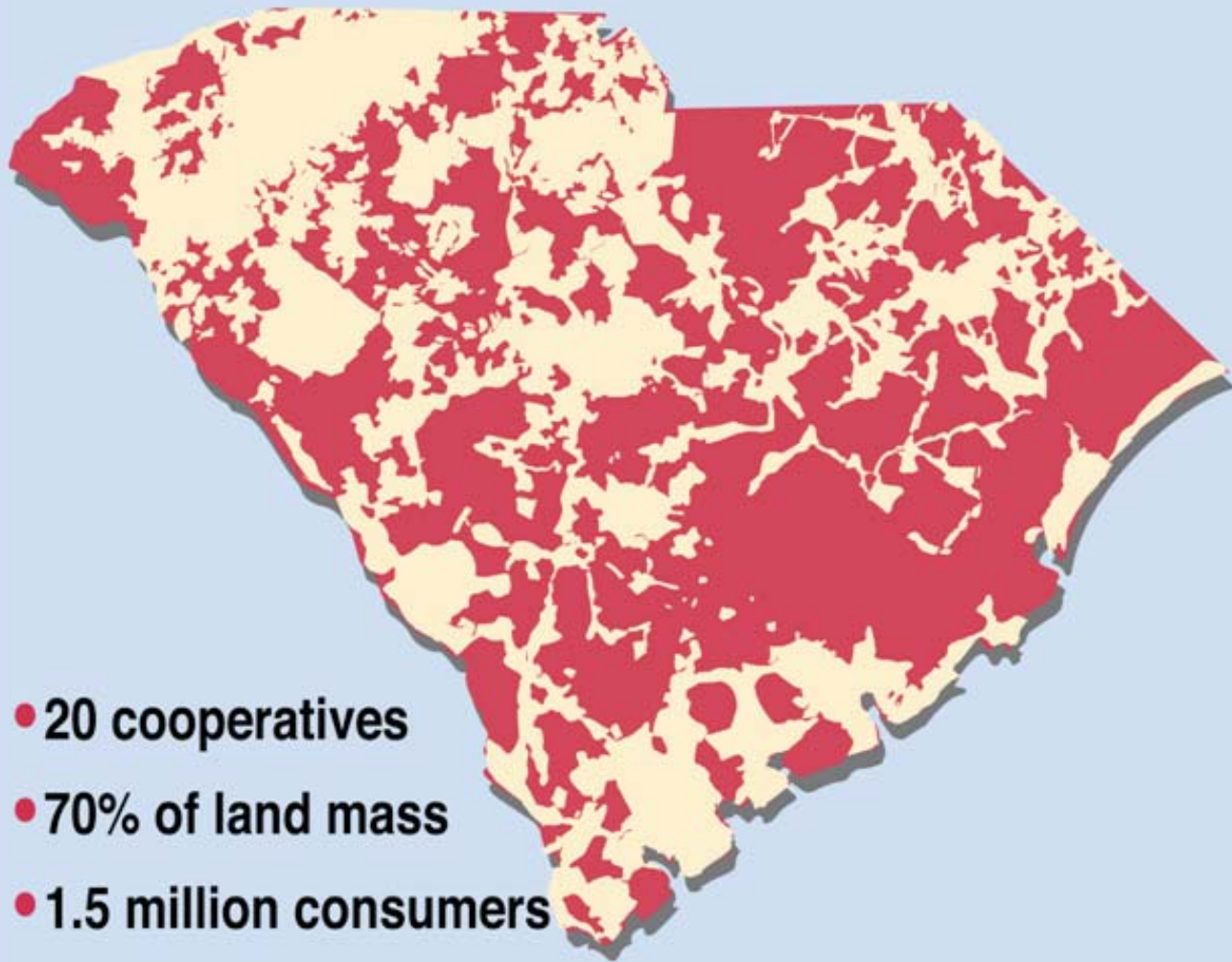




Electric Cooperatives of South Carolina



- 20 cooperatives
- 70% of land mass
- 1.5 million consumers



S.C. Co-op Challenges

- Current generation mix
- Growth
- Housing
- Illiteracy
- Income

Woman's story highlights struggles for energy relief



**Frances Sanders
Gaffney, S.C.**

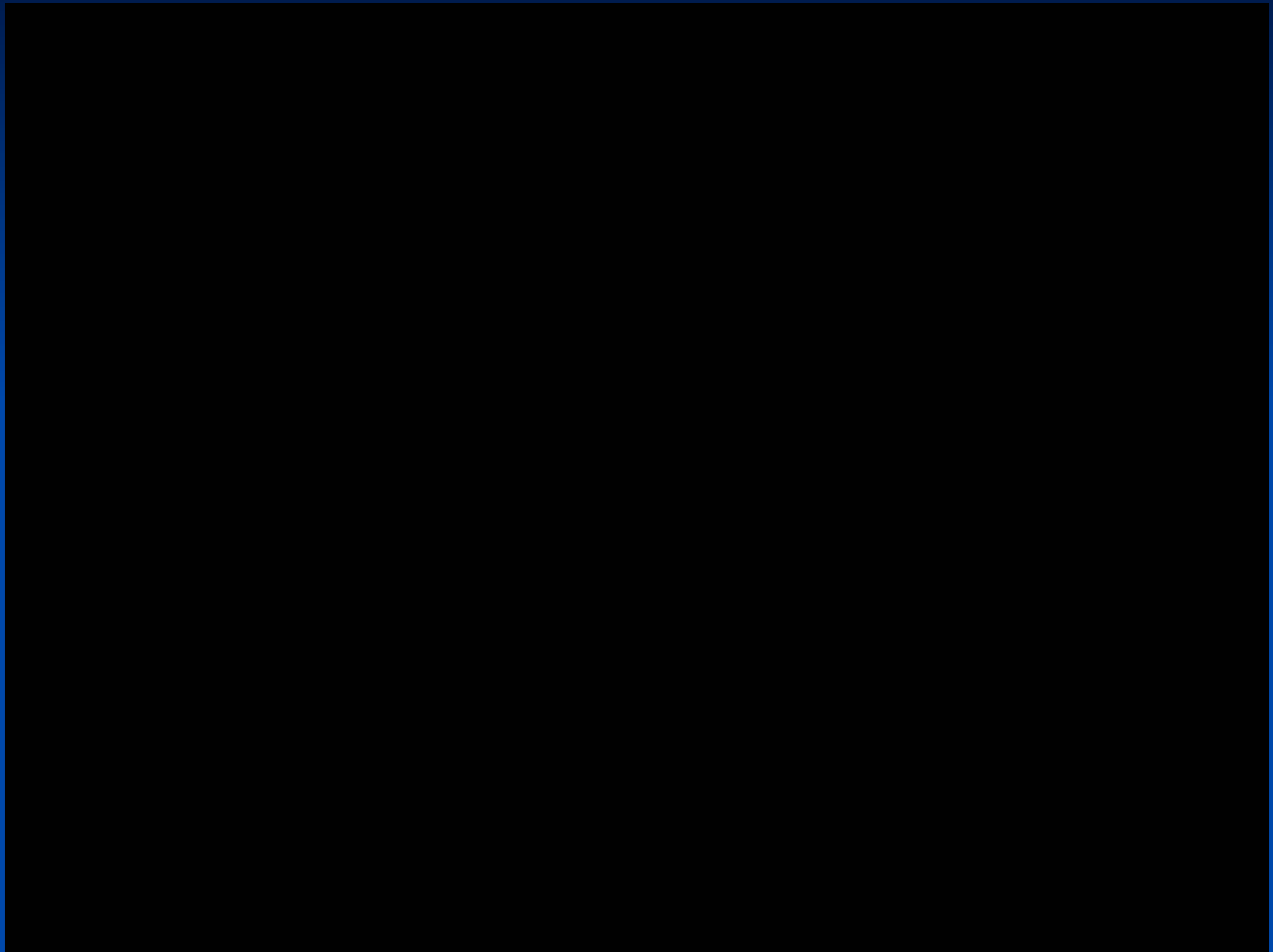
TIM KIMZEY/TIM.KIMZEY@SHJ.COM

Buy photo

Frances Sanders of Gaffney talks about the help she received to renovate and weatherize her home recently. Labor and new equipment provided by an energy efficiency pilot program is expected to cut Sanders' utility bill in half.

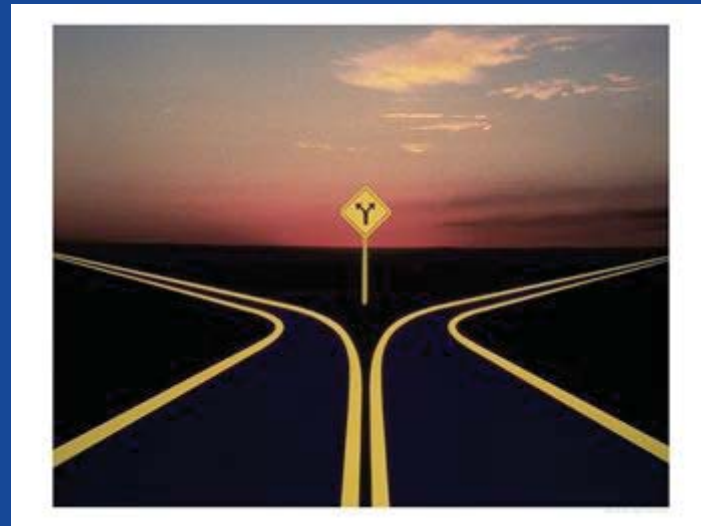
GoUpstate.com





Two Paths to the Future

We are nearing the fork in the road.



Path One: Nuclear



Cost to Build

Current Generation: \$ 753 / kW

New Natural Gas: \$ 2,599 / kW

New Nuclear: \$ 5,000 / kW

Path Two: Energy efficiency and clean energy





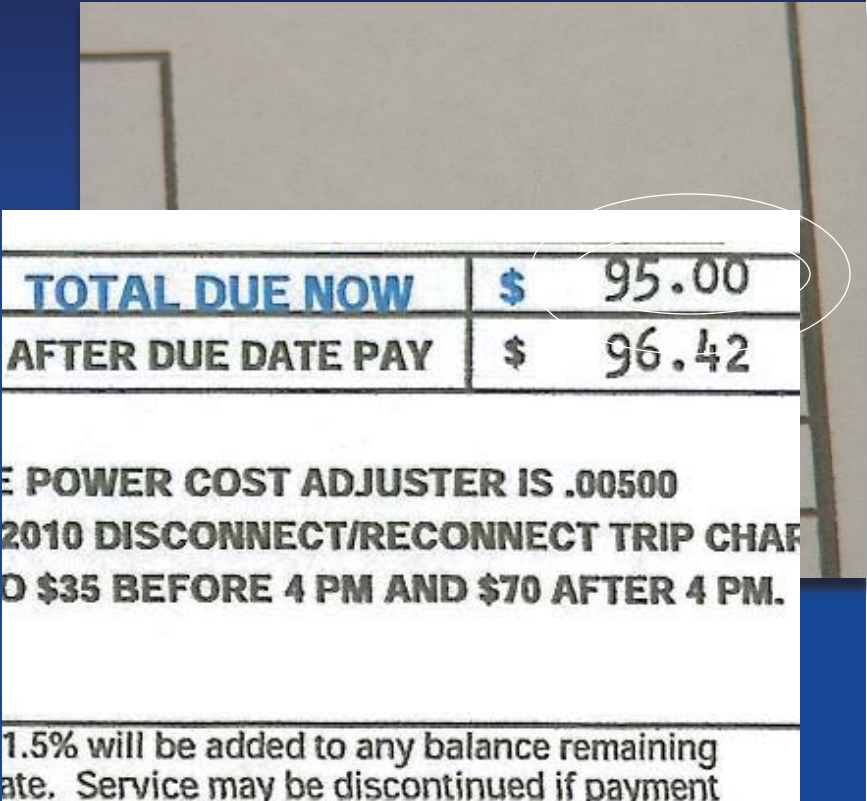
Linda Butler
St. Matthews, S.C.

Linda Butler's Savings

\$ 518 December 2008

\$ 95 December 2009

\$ 423 saved



TOTAL DUE NOW	\$ 95.00
AFTER DUE DATE PAY	\$ 96.42

POWER COST ADJUSTER IS .00500
2010 DISCONNECT/RECONNECT TRIP CHARGE
\$35 BEFORE 4 PM AND \$70 AFTER 4 PM.

1.5% will be added to any balance remaining
late. Service may be discontinued if payment

Unprecedented investment in energy efficiency

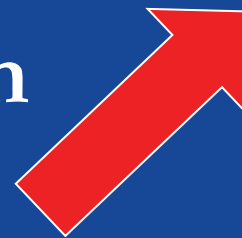
- Weatherize homes
- Replace resistance heating
- Replace old heat pumps



Three targets

	Homes	Megawatt-hours saved per year
Weatherization	160,000	290,000
Replace resistance heating	60,000	550,000
Replace old heat pumps	32,000	183,000
		1,023,000

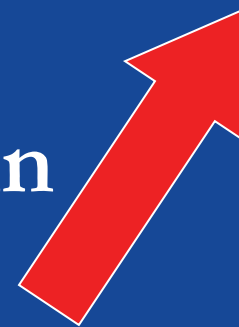
10% Reduction in Residential Use



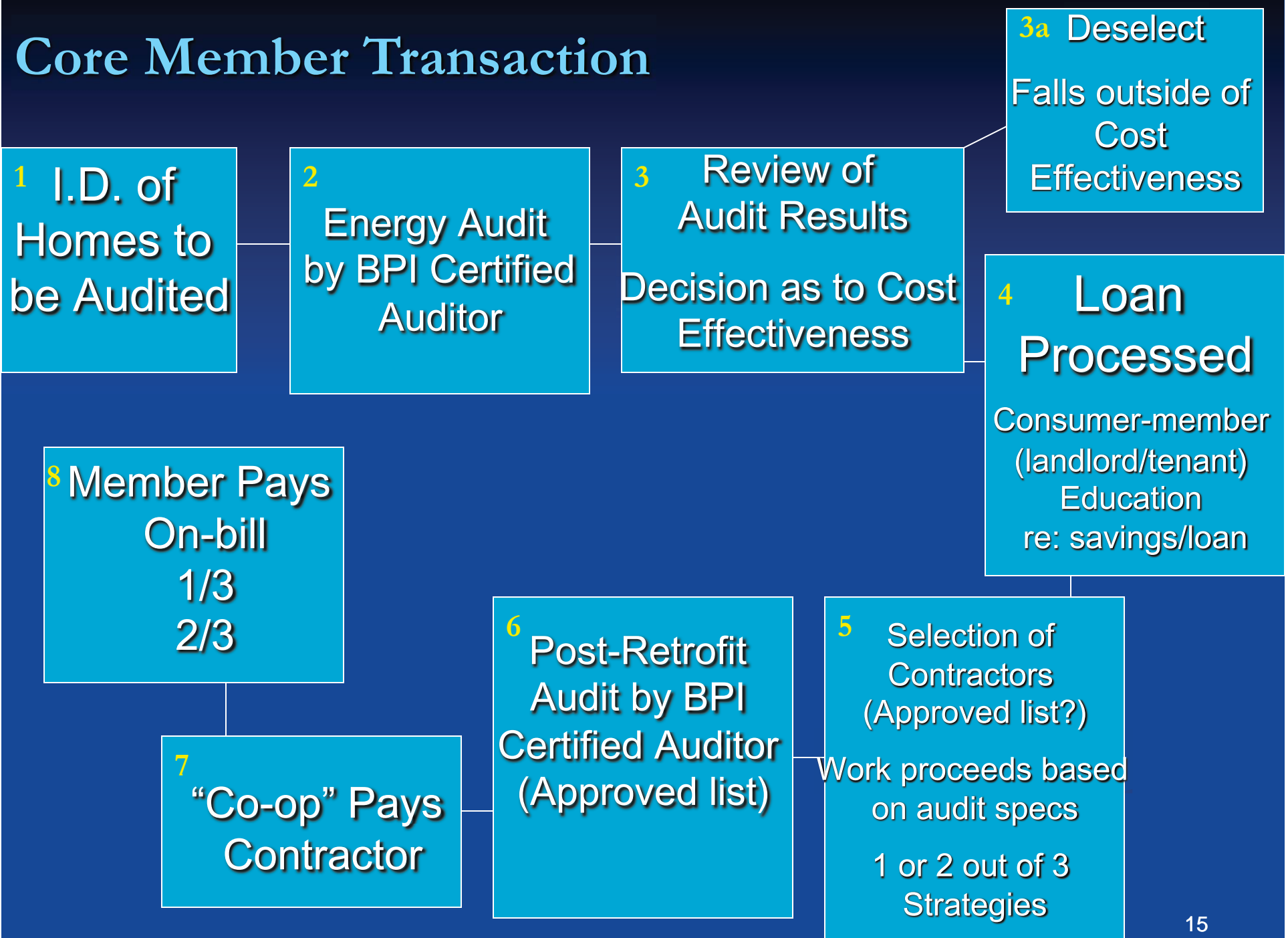
Energy efficiency retrofits *and* other residential programs

Forecast for 2020	Residential total
Energy (megawatt-hours)	13,344,000
Goal -- save 20%	<u>X 0.20</u>
Energy efficiency savings (megawatt-hours)	2,668,800

20% Reduction in Residential Use



Core Member Transaction



S.C. Results

when fully implemented

- Energy savings
 - 2,700,000 megawatt-hours per year.
- Consumer savings
 - \$270 million per year.
- Reduced CO₂ emissions
 - up to 2.4 million metric tons per year.
- Thousands of jobs
- Avoid paying for 1/2 of a nuclear plant

Private/public partnership.

A way to provide the capital for loans.

- Rural Energy Savings Program (Rural Star)
H.R. 4758 and S. 3102
- Up to \$4.9 Billion
 - \$750 million for S.C.
- RUS lends to co-ops >> co-ops lend to members for upgrades >> members repay co-ops on the power bill >> co-ops repay RUS

Rural Star Benefits

- Reduce burden on low-income families
- Reduce demand for electricity
- Reduce environmental impacts
- Create jobs
- Preserve capital for sustainable technology
- Combines co-op's need, member's need and America's need.

Two Paths to the Future

We are nearing the fork in the road.

