

STATE OF SOUTH CAROLINA ) IN THE COURT OF COMMON PLEAS  
 ) FIFTEENTH JUDICIAL CIRCUIT  
COUNTY OF HORRY ) **BUSINESS COURT**

George M. Hearn Jr., on Behalf of ) Civil Action No. 2017-CP-26-05256  
Himself and All Others Similarly )  
Situating, )

Plaintiffs, )

vs. )

South Carolina Public Service Authority )  
d/b/a Santee Cooper, )

Defendant. )

**NOTICE OF PROPOSED  
CLASS ACTION SETTLEMENT**

**If you were a residential or business retail customer of Santee Cooper at any time between November 1, 2009 and February 28, 2021, a class action lawsuit may affect your rights.**

*A state court authorized this notice. This notice is not a solicitation from a lawyer. You are not being sued.*

This Notice informs you of a proposed Settlement of a class action lawsuit against South Carolina Public Service Authority (“Santee Cooper”), in which Plaintiff claims Santee Cooper customers paid increased and improper utility rates in connection with the permitting and construction of two coal-fired generation facilities that were not completed at the Pee Dee Energy Campus (the “Pee Dee Project”). Santee Cooper denies any wrongdoing but has agreed to settle.

**I. SUMMARY**

**This Notice is to inform you of this proposed class action Settlement, alert you that you have been identified as a member of the Settlement Class preliminarily certified by the Court, and advise you of your rights with respect to the proposed Settlement, including your right to receive a payment, exclude yourself from the Settlement, and object to the Settlement.**

The Settlement avoids costs and risks to the Class from continuing the lawsuit, offers payments or billing credits to Class Members, and releases Santee Cooper from liability in exchange for Santee Cooper’s payment of \$12.5 million (the “Settlement Benefit”). If the Settlement is approved by the Court, the Settlement Benefit will be distributed to Class Members after a deduction of attorneys’ fees and litigation costs and expenses approved by the Court, administrative and other costs and expenses as specified in the Settlement Agreement, and the Representative Plaintiff’s incentive award approved by the Court. The Settlement Class includes all residential and business retail customers who received power and energy from Santee Cooper and who had Accounts with Santee Cooper at any time between November 1, 2009 and February 28, 2021 (the “Class Period”). If you have more than one Account, you may have received more than one Notice.

Read this notice carefully. It explains your legal rights, options, and the deadlines to exercise your rights and options. You have the following options:

- **Stay in the class:** You may qualify for a billing credit or payment if the settlement is approved. You do not have to take any action to receive this benefit.
- **Exclude yourself:** You may exclude yourself or “opt out” of the Class. If you opt out, you will not receive a billing credit or payment, and your right to bring your own lawsuit related to the same subject matter will not be affected by the Settlement.
- **Go to a hearing:** If you do not opt out, you may ask to speak in Court about the fairness of the settlement.
- **Object:** If you do not opt out, you may submit a written objection in accordance with this Notice, informing the Court if you do not like the Settlement and explaining why.

To understand your options and how your rights will be affected, as well as the deadlines for action on your part, please read all of this Notice.

The Court overseeing this case still has to decide whether to approve the Settlement. Benefits will be provided to Class Members only if the Court approves the Settlement and after any appeals are resolved.

## II. BACKGROUND INFORMATION

**What is the lawsuit about?** Beginning in 2009, Santee Cooper’s Board of Directors approved revised rates applicable to its residential and business retail customers. Plaintiff alleges that as of November 1, 2009, Santee Cooper’s residential and business retail customers began paying increased and improper utility rates to cover costs related to the permitting and construction of the Pee Dee Project, which was cancelled and never completed. Santee Cooper denies any wrongdoing.

**What is a class action lawsuit?** In a class action, one or more people called “Plaintiff” or “Representative Plaintiff” (in this case, George M. Hearn, Jr.) sue on behalf of people who have similar claims. All these people are a “Settlement Class” or “Class.” The Representative Plaintiff has the duty to represent the interests of the Class, and may elect to settle the lawsuit on behalf of the Class, subject to court approval. The entity the Representative Plaintiff sued is called the Defendant (in this case, Santee Cooper). One court resolves the issues for the Representative Plaintiff and the Settlement Class, except for persons who may choose to exclude themselves from (or “opt out” of) the Settlement Class. This Notice is being provided because Santee Cooper has agreed to a proposed Settlement with the Settlement Class, and the Court has authorized this Notice and will hold a hearing to decide whether to issue an order approving the Settlement and ending the lawsuit.

**Why is there a settlement in this case?** The Court did not decide in favor of the Representative Plaintiff or Santee Cooper, and Santee Cooper denies any wrongdoing. Instead, both sides agreed to the Settlement to avoid the cost of continued litigation and a trial and to finally resolve the claims asserted in the lawsuit. The Representative Plaintiff and the attorneys think the settlement is in the best interests of the Class.

## III. WHO IS IN THE SETTLEMENT?

**How do I know if I am a part of the settlement?** On July 1, 2021, the Court preliminarily certified the following Settlement Class:

All residential and business retail customers who received power and energy from Santee Cooper and who had Accounts with Santee Cooper between November 1, 2009 to February 28, 2021.

This Notice is being sent to you because Santee Cooper’s records indicate that you were a residential or business retail customer and paid costs for the Pee Dee Project as part of your electric bills from Santee Cooper during the Class Period.

#### IV. THE SETTLEMENT BENEFIT—WHAT YOU RECEIVE AND HOW YOU RECEIVE IT

**What does the settlement provide?** Santee Cooper has agreed to pay twelve million five hundred thousand dollars (\$12,500,000.00) in exchange for the release and dismissal of claims of the Representative Plaintiff and Class. The Settlement Benefit will be used to fund payments and billing credits to Class Members and to pay attorneys' fees and litigation costs and expenses, Representative Plaintiff's incentive award approved by the Court, and administrative and other costs and expenses as specified in the Settlement Agreement. Class Counsel will seek approval of an incentive award to the Representative Plaintiff in the amount of ten thousand dollars (\$10,000.00) to recognize the Representative Plaintiff's time, energy, and commitment during the litigation.

**What will I receive from the Settlement?** Class Members will receive a minimum of \$5.00, and possibly more, depending on the proportion of Pee Dee Project costs the Class Member is estimated to have paid, and this monetary benefit will be provided either by billing credit or by check.

**How will I receive the benefits of the Settlement?** The Class includes both former customers (persons who do not have an Active Account with Santee Cooper) and current customers (persons who have an Active Account with Santee Cooper). Class Members who are former customers will be sent a check. Class Members who are current customers will be provided a billing credit, unless they are entitled to receive \$200 or more, in which case a check will be sent.

**How can I receive the benefits provided by the Settlement?** Class Members do not need to do anything to receive a billing credit or check as provided by the Settlement.

**When will I receive the benefits provided by the Settlement?** The Court will hold a hearing on October 7, 2021 to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. The Settlement Benefit will not be distributed to Class Members unless and until the Settlement is approved by the Court and any appeals have been fully and finally resolved in favor of the Settlement. The outcome of an appeal is uncertain and resolving it can take time.

**What am I giving up by staying in the Class to receive the benefits provided by the Settlement?** Unless you opt out, you are staying in the Class, which will mean that you cannot sue, continue to sue, or be part of any other lawsuit against Santee Cooper about the legal issues in this case. It also means that all of the Court's orders will apply to you and legally bind you. Staying in the Class means you are releasing all past, present, or future claims against Santee Cooper that were raised or could have been raised by or on behalf of the Class Members in relation to the subject matter of the Complaint, which includes claims relating to: (1) the Pee Dee Project, including but not limited to the recovery of costs and related debt service through rates or charges to customers; (2) any act or omission of Santee Cooper arising out of, relating to, or in any way regarding the Pee Dee Project, the adoption and implementation of rates during the Class Period, or other facts that were or could have been alleged in the Action; (3) Santee Cooper's rates and charges, including but not limited to those charged to customers to recover the costs of the Pee Dee Project and related debt service, Class Members' payment of such rates and charges, and any act or omission of Santee Cooper related thereto; and (4) any act or omission of Santee Cooper that was or could have been alleged in this or another action directly, representatively, derivatively, or in any other capacity in another court, tribunal, or other forum regarding the Pee Dee Project and related debt service, rates, or charges.

#### V. EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want to receive a benefit from this Settlement and do not want the Settlement to affect your right to sue or continue to sue Santee Cooper, on your own, about the legal issues in this case, then you

must take steps to get out. This is called “opting out” or excluding yourself from the Settlement Class. If you opt out, your rights will not be affected by the Settlement, and you will not receive a billing credit or payment.

**How do I get out of the settlement?** To exclude yourself from the settlement, you must complete and mail a request for exclusion to the Settlement Administrator. You must provide the following information in your request for exclusion: (1) the Settlement Class member’s full name, current address, and telephone number; (2) the Settlement Class member’s residential or commercial service address(es); (3) the Settlement Class member’s Santee Cooper Account number(s) as to which he or she seeks exclusion; (4) an unequivocal statement that the Settlement Class member intends to be excluded from the Settlement Class and to forgo all rights and benefits of the Settlement; and (5) the Settlement Class member’s signature.

If you exclude yourself, you will not receive any of the settlement benefits, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue Santee Cooper in the future. You cannot exclude others, and no one else can exclude you.

A Request for Exclusion Form is available at [www.peedeeplantclassaction.com](http://www.peedeeplantclassaction.com) for your convenience. You must mail or deliver your Request for Exclusion to:

Pee Dee Plant Class Action  
c/o RG/2 Claims Administration LLC  
P.O. Box 59479  
Philadelphia, PA 19102-9479  
Email: [info@rg2claims.com](mailto:info@rg2claims.com)  
Facsimile: 215-827-5551

**To be effective, the Request for Exclusion must be completed, signed, and postmarked or delivered no later than September 20, 2021.**

**If I do not exclude myself, may I sue Defendant later about these claims?** No. Unless you exclude yourself, you give up the right to sue Santee Cooper for the claims this settlement resolves.

**If I exclude myself, can I receive benefits from this settlement?** No. If you exclude yourself, you will not be able to receive any portion of the Settlement Benefit.

## VI. OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the settlement or some part of it.

**How do I object to the Settlement?** If you are a Class Member, meaning that you have not requested exclusion from the Class, you have the right to object to the fairness of any aspect of the proposed Settlement. If you wish to object, you must file with the Court a **written** statement containing objection(s) specifically referring to *George M. Hearn, Jr., on Behalf of Himself and All Others Similarly Situated v. South Carolina Public Service Authority*, Civil Action No. 2017-CP-26-5256. All objections must include the following information: (1) the Class Member’s full name, current address, and telephone number; (2) the Class Member’s residential or commercial service address(es); (3) the Class Member’s Santee Cooper Account number(s); (4) all specific objections and the reasons in support thereof, and any and all supporting papers; and (5) a statement of whether the Class Member or his or her counsel will appear at the Final Approval Hearing. If a Class Member intends to object through counsel, the Class Member’s attorney must append a list of all prior objections previously filed by such counsel in state and federal courts, and with respect to each, provide: (1) the case number; (2) the court where the prior objection was filed; and (3) the

outcome of the objection. If a Class Member intends to appear and requests to be heard, either individually or through counsel, the Class Member or his or her counsel must file a notice of appearance with the Court no later than fourteen (14) Days before the Final Approval Hearing.

Any Class Member who does not properly file and serve a timely written objection to the Settlement shall not be permitted to object to the Settlement at the Final Approval Hearing and shall be foreclosed from seeking review of the Settlement by appeal, collateral attack, or otherwise.

<b>Clerk's Office</b>	<b>Representative for Class Counsel</b>	<b>Representative Counsel for Defendant</b>
Horry County Clerk of Court Horry County Government Center 1301 2nd Avenue Conway, SC 29526	Daniel Haltiwanger Richardson, Thomas, Haltiwanger, Moore & Lewis, LLC 1513 Hampton Street Columbia, SC 29205	B. Rush Smith III Nelson Mullins Riley & Scarborough, LLP 1320 Main Street, 17th Floor Columbia, SC 29201

**PLEASE DO NOT CALL THE COURT. To be effective, the objection must be postmarked or delivered to the Court and Counsel no later than September 20, 2021.**

**What is the difference between objecting and excluding?** Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you. If you do not exclude yourself, and then do not object or somehow do not meet the requirements for objecting, you cannot later challenge the settlement by appeal or any other way.

## **VII. THE LAWYERS REPRESENTING YOU**

**Do I have a lawyer in this case?** The following lawyers represent you and other Settlement Class Members in this case: Daniel S. Haltiwanger, William C. Lewis, and Brady R. Thomas of Richardson, Thomas, Haltiwanger, Moore & Lewis, LLC; Matthew A. Nickles of Rogers Patrick Westbrook & Brickman, LLC; Jack G. Gresh and Lauren S. Gresh of Hall Booth Smith, P.C.; and L. Morgan Martin of L. Morgan Martin, P.A. Together, these lawyers are called Class Counsel.

**How will the lawyers be paid?** Class Counsel will ask the Court for attorneys' fees up to thirty-three and one-third (33.33)%. The Court may award less than this amount. Class counsel will also seek to recover litigation expenses. The attorneys' fees and expenses will be paid from the Settlement Benefit.

## **VIII. THE COURT'S FINAL APPROVAL HEARING**

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you do not have to do so.

**When and where will the Court decide whether to approve the settlement?** The Court will hold a Final Approval Hearing at 2:00 p.m. on October 7, 2021, at the Dorchester County Courthouse, 5200 E. Jim Bilton Boulevard, St. George, SC 29477 or via Webex or other video conferencing means and in compliance with any Standing Order regarding COVID-19. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate, and will consider Class Counsel's Motion for Attorneys' Fees, Expenses, and Class Representative Incentive Award. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement.

**Do I have to come to the hearing?** No, Class Counsel will answer questions from the Court. If you send an objection, you do not have to come to Court to talk about it. As long as you filed your written objection on time and it meets the requirements described in this Notice, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**May I speak at the hearing?** If a Class Member intends to appear and requests to be heard, either individually or through counsel, the Class Member or his or her counsel must file a notice of appearance with the Court no later than fourteen (14) Days before the Final Approval Hearing.

## IX. IF YOU DO NOTHING

**What happens if I do nothing at all?** Class Members who do nothing will be included in the Class and will receive a portion of the Settlement Benefit when distributions are made, in the form of either a billing credit or check. Class Members who do not opt out will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Santee Cooper about the legal issues in this case.

## X. FREQUENTLY ASKED QUESTIONS

**What if my address changed?** If your mailing address has changed, or is expected to change in the future, or if you received the Summary Class Notice at an address other than that listed on the envelope, you should send your new mailing address to the Settlement Administrator at:

Pee Dee Plant Class Action  
c/o RG/2 Claims Administration LLC  
P.O. Box 59479  
Philadelphia, PA 19102-9479  
Toll Free Number: 1-800-283-0976  
Email: [info@rg2claims.com](mailto:info@rg2claims.com)  
Facsimile: 215-827-5551

**Where can I get more information?** The descriptions in this Notice of the claims and Settlement documents in this case are only summaries. If you have any questions or would like more information, please contact the Settlement Administrator by phone at 1-800-283-0976; by e-mail at [info@rg2claims.com](mailto:info@rg2claims.com); or via mail at Pee Dee Plant Class Action, c/o RG/2 Claims Administration, P.O. Box 59479, Philadelphia, PA 19102-9479. You may also consult with your own attorney.

The Settlement Agreement and all other documents filed in this lawsuit may be reviewed and copied at the Dorchester County Courthouse, 5200 E. Jim Bilton Boulevard, St. George, SC 29477. You may also view the Settlement Agreement and other Settlement related documents at [www.peedeeplantclassaction.com](http://www.peedeeplantclassaction.com).

**Please do not call the Judge, Clerk, or Court about this Notice or lawsuit.**

**They will not be able to give you advice or answer your questions.**