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January 25, 2011

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Petition of South Carolina Electric & Gas Company for an Order Authorizing the Withdrawal of Certain Funds from its Storm Damage Reserve Fund to Offset Those Costs Incurred in Connection with its Tree Trimming and Vegetation Management Programs for its Electric Transmission and Distribution Systems

Docket No. 2008-416-E

Dear Ms. Boyd:

This is to acknowledge that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and has no objection to the proposed accounting order authorizing South Carolina Electric & Gas ("SCE&G" or "Company") to withdraw up to $1.8 million from its Commission-approved Storm Damage Reserve Fund during calendar year 2011. The Company proposes to use these funds to offset incremental expenses incurred in its efforts to accelerate its tree trimming and vegetation management programs for its electric transmission and distribution systems. This request will not require change to any of the Company's retail rates or prices.

If the Commission is inclined to grant this request, ORS would recommend including a provision in the order requiring SCE&G to report the following information:

- Mid Year Reports: (Due August 15, 2011 and February 15, 2012)
  - Show progress through June 30, 2011 and December 31, 2011
  - Include the vegetation management plan
  - Identify those circuits SCE&G has cleared
  - Show cost per circuit, if possible
  - Include before and after pictures
  - Before and after data of outages, if available

- Meeting with ORS: (On or before December 31, 2011)
  - Provide updates and progress

(Continued…)

Thank you for the opportunity to provide our comments in this matter.

Sincerely yours,

John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel, SC ORS
Jeffrey M. Nelson, Esquire, SC ORS
K. Chad Burgess, Associate General Counsel, SCANA
Dr. James Spearman, Executive Assistant, SC PSC