November 4, 2011

VIA ELECTRONIC-DELIVERY

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

Re: South Carolina Electric & Gas Company Application for Increase in Rates and Charges  
Docket No. 2009-489-E

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff (“ORS”) is filing this letter in support of South Carolina Electric & Gas Company’s (“SCE&G”) electric weather normalization adjustment (“eWNA”) mechanism, including the modifications to the eWNA requested by SCE&G and requests that the eWNA continue on a pilot basis until otherwise requested by ORS or SCE&G.

ORS supported the establishment of the eWNA in 2010 and monitors its monthly adjustment. Since its inception by settlement between ORS and SCE&G and approval by the Public Service Commission of South Carolina, a net credit to customer bills subject to the eWNA has been issued by SCE&G in the average amount of $148.27 per customer. The eWNA levelizes bills to minimize impacts caused by unusually hot weather during the cooling months and unusually cold weather during heating months. Bills are adjusted to reflect average temperature thereby reducing the dollar impact that would occur during abnormal weather. It is this leveling of customer bills during abnormal weather conditions that is the basis for ORS’s support of the eWNA, not the net credit that has been issued on bills during the review period.

ORS also supports the modifications to the eWNA as requested by SCE&G. ORS understands that SCE&G’s current methodology does not appropriately recognize weather impacts during consecutive days of exceptionally high temperatures in the summer when air conditioners operate continuously at maximum output. Consequently, an over-credit was issued to customers during July, August, and September 2011. ORS has reviewed SCE&G’s revised methodology and the calculation of the over-credit. ORS supports the revised methodology and SCE&G’s proposal to eliminate the over-credit by only netting it against future eWNA credits.

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

Sincerely yours,

John W. Flitter  
JWF/swh

cc: parties of record