Analyst Day 2014

Kevin Marsh – Chairman & CEO
Safe Harbor Statement/Regulation G Information

Statements included in this presentation which are not statements of historical fact are intended to be, and are hereby identified as, “forward-looking statements” for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements concerning key earnings drivers, customer growth, environmental regulations and expenditures, leverage ratio, projections for pension fund contributions, financing activities, access to sources of capital, impacts of the adoption of new accounting rules and estimated construction and other expenditures. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “could,” “should,” “expects,” “forecasts,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “predicts,” “potential” or “continue” or the negative of these terms or other similar terminology. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties, and that actual results could differ materially from those indicated by such forward-looking statements. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include, but are not limited to, the following: (1) the information is of a preliminary nature and may be subject to further and/or continuing review and adjustment; (2) regulatory actions, particularly changes in rate regulation, regulations governing electric grid reliability and pipeline integrity, environmental regulations, and actions affecting the construction of new nuclear units; (3) current and future litigation; (4) changes in the economy, especially in areas served by subsidiaries of SCANA; (5) the impact of competition from other energy suppliers, including competition from alternate fuels in industrial markets; (6) the impact of conservation and demand side management efforts and/or technological advances on customer usage; (7) the loss of sales to distributed generation, such as solar photovoltaic systems; (8) growth opportunities for SCANA’s regulated and diversified subsidiaries; (9) the results of short- and long-term financing efforts, including prospects for obtaining access to capital markets and other sources of liquidity; (10) the effects of weather, especially in areas where the generation and transmission facilities of SCANA and its subsidiaries (the Company) are located and in areas served by SCANA’s subsidiaries; (11) changes in SCANA’s or its subsidiaries’ accounting rules and accounting policies; (12) payment and performance by counterparties and customers as contracted and when due; (13) the results of efforts to license, site, construct and finance facilities for electric generation and transmission; (14) maintaining creditworthy joint owners for SCE&G’s new nuclear generation project; (15) the ability of suppliers, both domestic and international, to timely provide the labor, secure processes, components, parts, tools, equipment and other supplies needed, at agreed upon prices, for our construction program, operations and maintenance; (16) the results of efforts to ensure the physical and cyber security of key assets and processes; (17) the availability of fuels such as coal, natural gas and enriched uranium used to produce electricity; the availability of purchased power and natural gas for distribution; the level and volatility of future market prices for such fuels and purchased power; and the ability to recover the costs for such fuels and purchased power; (18) the availability of skilled and experienced human resources to properly manage, operate, and grow the Company’s businesses; (19) labor disputes; (20) performance of SCANA’s pension plan assets; (21) changes in taxes; (22) inflation or deflation; (23) compliance with regulations; (24) natural disasters and man-made mishaps that directly affect our operations or the regulations governing them; and (25) the other risks and uncertainties described from time to time in the periodic reports filed by SCANA or SCE&G with the United States Securities and Exchange Commission. The Company disclaims any obligation to update any forward-looking statements.

During this presentation, certain non-GAAP measures (as defined by SEC Regulation G) may be disclosed. A reconciliation of those measures to the most directly comparable GAAP measures is included on our website at www.scana.com in the Investor Relations section under Regulation G Information.
SCANA’s Mission and Vision

Our Mission

• To provide energy and related products to retail markets in the Southeast.

Our Vision

• SCANA is a company of committed people, working together professionally to serve our customers reliably and shareholders profitably.
People Working Together

- Hiring people who care
- Customer Relations
- Community Involvement
People Working Together

Working Well With Those Who Oversee Our Business and Interact With Us:

- State Legislature
- Public Service Commission
- Office of Regulatory Staff
- Nuclear Regulatory Commission
- South Carolina Department of Commerce
- South Carolina Energy Users Group (Large Industrial Customers)
- Environmental Groups
Our Corporate Values

- Serve our Community
- Achieve
- Communicate openly and honestly
- Respect diversity and care for each other
- Excel in customer service and safety
- Do what is right
Strategic Planning Process

Aligns the business units’ strategies and objectives to achieve the Company’s financial and operational goals:

- New Nuclear Generation
- Profitable Growth
- Operational Excellence
- Business Development
- Workforce Development
- Shareholder Return
- Environmental Strategy
2013 Achievements

Providing Energy for the Future

Confidential Treatment Requested by Santee Cooper
Analyst Day 2014 - Schedule

• Jeff Archie, Chief Nuclear Officer
  V.C. Summer: Positively Impacting the Community

• Keller Kissam, President of SCE&G Retail Operations
  SCE&G Electric Retail Operations

• Steve Byrne, Chief Operating Officer – SCE&G
  Generation and Nuclear Construction

Break

• Rusty Harris, Senior VP of Gas Distribution
  Gas Organization Update

• Jimmy Addison, Chief Financial Officer
  Financial Update & The Economy

• Kevin Marsh, Chairman and Chief Executive Officer
  Closing Remarks and Q&A

Lunch
Analyst Day 2014

V.C. Summer: Positively Impacting the Community

Jeff Archie – Chief Nuclear Officer
V.C. Summer Unit 1

✓ Thirty years of safe operation
✓ Steam generators replaced in 1996
✓ Operating license extended to 2042

Investing in “Plant and People” to sustain Excellent Performance
V.C. Summer Unit 1 Performance

- Average capacity factor last three years >99%
- Continued “Excellent” ratings by industry peer groups
- First quartile O&M cost performance (single unit sites)
- VCS “Safe work hours” record set in 2013 >11,000,000 hours
- Dry fuel storage and Post-Fukushima modifications under way
V.C. Summer Unit 1 Performance

- Investments in plant upgrades and training have sustained good performance
  - Active “life cycle management” of equipment
  - Healthy recruitment pipeline
  - New 117,000 ft² training facility and large training staff
  - Solid plant operations sustained with 35% of staff with less than 5 years at VCS
V.C. Summer Unit 1 Refueling Outage

- 64 of 157 fuel assemblies replaced in addition to normal maintenance
- Included major fire safety improvements and plant reliability upgrades
- Steam generators and other major components inspected
- Station prepared for and executed several minor reactor vessel head (RVH) repairs
  - New RVH fabrication in progress, scheduled for installation in 2017

VCS Unit 1 is a strong performer with a solid plan to continue to improve.
Impression of V.C. Summer and its Recent Operations

Most V.C. Summer neighbors (90 percent) have a favorable impression of the plant and how it has operated recently, and 67 percent have a very favorable impression.

Highlights of the Survey with V.C. Summer Neighbors

- 91% believe that nuclear energy will be important for meeting the nation’s electricity needs in the years ahead.
- 91% of participants support nuclear power plants that continue to meet federal safety standards.
- 81% favor nuclear energy.
- 95% agree that the plant helps the local economy.
- 95% believe there are good jobs for local people at the plant and in businesses that support the plant.
- 89% gave a high rating (5-7 on a 1-7 scale) to the safety of the nearby nuclear power plant.
- 88% agree that the company is involved in the community.
Most V.C. Summer neighbors (75 percent) have a favorable impression of the nuclear construction project.
The construction of the Center for Energy and Advanced Manufacturing and the development of academic programs based on the exceptionally high standards in the nuclear industry are representative of the College's firm commitment to its nuclear partners. The College is proud of its partnership with SCE&G, the support it receives from SCE&G, and the opportunity to contribute to SCE&G's success as it leads the way in the next wave of nuclear power development. —Dr. Susan Winsor, President, Aiken Technical College
Midlands Tech – Quick Jobs Center (welding lab)
Midlands Tech – Recent Nuclear Curriculum Graduates
“Besides having my son 10 years ago, enrolling in the welding program at Midlands Tech was the best thing that has happened to me. Before completing the 24 week welding program, I was making $500 per week. Now I’m on pace to make $100,000 per year.”

Cory Mickle
To strengthen the development of SCANA’s nuclear workforce, we have partnered with schools throughout the Southeast, including:

- South Carolina State University
- Florence-Darlington Technical College
- Spartanburg Community College
- Francis Marion University
- Clemson University
- University of South Carolina
- Georgia Institute of Technology
- Orangeburg-Calhoun Technical College
- Aiken Technical College
- Midlands Technical College
“V.C. Summer has been an instrumental partner in helping to transform the academic culture in Fairfield County. The STEM Early College Academy initiative has provided our most academically talented students an opportunity to earn an Associate’s degree in Science by the time they complete their high school diploma requirements. In addition, the Fairfield Central High Success Center has significantly increased enrollment in two- and four-year institutions for our graduating seniors. Both of these initiatives were launched in partnership with the V.C. Summer.”--J.R. Green, Fairfield County Schools Superintendent
National Nuclear Science Week
“The success of the Griffin Robotics team is a perfect example of what occurs when innovation, student engagement, and business/community involvement intersect during the educational process.”—J.R. Green, Fairfield County Schools Superintendent
Community Coalition and Newsletter

Community Newsletter

Fall 2014

VC Summer Station

At VC Summer, we ensure that operations are conducted safely. For the sake of our employees and our neighbors, Demetree by the National Commission (NUCC) sets strict guidelines to achieve this goal. VC Summer supports the ongoing presence of the NUCC on site. We believe it's the safety of everyone who is on the job, every shift, every day.

Many questions have been raised about the construction site and the work being done there. For example, the operation of the reactor involves all aspects of safety, with the plant's safety system in place and working as designed.

“Alas, it is well known that nuclear engineers are among the nation’s most skilled professionals. They are the ones who design and build nuclear power plants. They are the ones who operate nuclear power plants. They are the ones who maintain nuclear power plants. They are the ones who keep nuclear power plants safe.”

Jeffrey Ackley
SCEG Chief Nuclear Officer

ORS 00041730

June 2014

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Lake Monticello Family Practice
Community Outreach

[Images of community outreach activities involving people of different ages, wearing safety gear, and engaging in educational or construction-related activities.]
Deaerator Transport – Through Town of Bishopville
Electric Retail Operations

Asset Base:
• 18,150 miles of distribution lines
• 3,674 miles of transmission lines
• 441 substations

22,600 Square Miles of Territory:
• 35 counties
• 681,000 electric customers
• 332,000 gas customers
• 262,000 combination customers
Electric Retail Operations

Top 10 Most Dangerous Job
In the World
4 Year Apprentice Program
Safety

- Top Quartile SEE for Safety
- Measure – AFR
SCE&G Electric Operations ranked #1 among 18 reporting companies within Southeastern Electric Exchange for 3 out of the last 6 years.
SCE&G Electric Operations
IBEW 772 & 398
# of Grievances
Customer Service

- Lights On
- Affordable
Vegetation Management

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Vegetation Management
Vegetation Management

Distribution – 5 Year Cycle

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Vegetation Management
Reliability

- Circuit Inspection
- Circuit Correction
Technology: GIS-OMS-SCADA-Field Mobility
SAIDI

(Avg Minutes/Customer)

Dec 2013 YTD

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<td>136</td>
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<tr>
<td>SCE&amp;G</td>
<td>92</td>
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SC Renewable Legislation

- Consensus among diverse group of interests from around the State
- Certainty of regulation and expectations
- Development of substantial renewable resources in the State
- Cost-effective and fair for all customers
- Most comprehensive package in the U.S.
New Construction (NND)/ System Improvement
Engineer, Procure, & Construct

Pike Electric
Mt. Airy, NC
EPC Scope

- Project Management
- Transmission Line Siting and Permitting
- Engineering and Design
- Procurement
- Construction
- Testing and Commissioning
The Construction Process

- R/W Clearing
- Erosion Control
- Old Line Removal
- Material Management
- Foundations
- Pole Spotting, Framing, and Erecting
- Pulling Conductor
Right of Way Clearing
Erosion Control
Old Line Removal
Material Management
Foundations
Spotting, Framing, and Erecting Poles
Pulling Conductor
System Improvement
Winter Storm Pax

February 2014
Winter Storm Pax
Winter Storm Pax
“Utility crews are prepared & on standby for the upcoming storm. What a beautiful sight! Thank you for your service to the citizens of SC!”

“Thanks to the utilities, linemen, and most importantly the citizens for their patience! We have seen amazing heroes over this past week.”

(Twitter)

- The Honorable Nikki Haley
  Governor
  The State of South Carolina
“In day-to-day interactions, we do not always agree; this friction is a necessary and healthy component of the regulatory process. However, SCE&G’s herculean effort and outstanding performance in this storm event prove that when adversity strikes, we can count on them to serve the public and earn our admiration and appreciation.”

- C. Dukes Scott
  Executive Director
  Office of Regulatory Staff, SCPSC
Analyst Day 2014

Generation and Nuclear Construction

Steve Byrne – Chief Operating Officer
New Nuclear CAPEX & Rate Increases

- New nuclear capex recovery independent of other SCE&G (base) rate case activity
- Annual new nuclear capex cost recovery is formulaic
- BLRA provides year over year rate increases, thus mitigating rate shock at commercial operation date

**New Nuclear Capex, AFUDC, and Rate Adjustments**

*SCE&G 55% Share* (Millions of $ in Future Value)

- Project Costs (including Transmission)
- AFUDC
- Rate Increase

Note: Reflects new nuclear capex as filed May 2014 in BLRA Quarterly Report and rate adjustments as filed May 2014 in Annual Request for Revised Rates.

*SCE&G’s additional 5% ownership interest in the New Nuclear project does not impact the BLRA mechanism.*
BLRA Filings & Rate Increases

- 6 Consecutive BLRA Increases approved
- Recover financing costs on construction work in progress annually

![BLRA Increases to Rates (Millions)]

- April 2009: $7.8
- Nov 2009: $22.5
- Nov 2010: $47.3
- Nov 2011: $52.8
- Nov 2012: $52.1
- Nov 2013: $67.2
- Nov 2014: $70.0

2014 BLRA Filings

- 2/11 – Q4 2013 Status Report
- 5/15 – Q1 2014 Status Report
- 5/30 – BLRA Revised Rate Application
- 8/14 – Q2 2014 Status Report
- 11/14 – Q3 2014 Status Report
New Nuclear Projected Costs (in billions)

New Nuclear
Total Projected Costs
(SCE&G 55% Share)*

$6.313
$6.875
$5.787
$5.755
$5.680
$5.626
$6.26
$6.67
$7
$8

Order No.
2009-104(A)
Order No.
2010-12
Order No.
2011-345
Order No.
2012-884
February 2014
BLRA Report
May 2014
BLRA Report

- Capital Cost, 2007 Dollars
- AFUDC
- Escalation

Note: Reflects new nuclear projected costs as filed May 2014 in BLRA Quarterly Report; SCE&G 55% share
* SCE&G’s additional 5% ownership interest in the New Nuclear project does not impact the BLRA Projected Cost Calculation

Confidential Treatment Requested by Santee Cooper
Generation Overview

- Long-term strategy to ensure a diverse, affordable generation mix that can meet our customers’ needs now and in the future.

- Changes to our generation mix, coupled with the addition of our two new nuclear units, will allow us to meet stringent environmental regulations.
Generation Mix by Dispatch and Capacity

**By Dispatch**
- Non-emitting 62%

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<th>Gas</th>
<th>Nuclear</th>
<th>Hydro</th>
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<tr>
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<td>1%</td>
<td>23%</td>
<td>12%</td>
<td>60%</td>
<td>4%</td>
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<tr>
<td>2020</td>
<td>1%</td>
<td>23%</td>
<td>14%</td>
<td>58%</td>
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**By Capacity**

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<td>41%</td>
<td>32%</td>
<td>12%</td>
<td>14%</td>
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<td>1%</td>
<td>28%</td>
<td>27%</td>
<td>31%</td>
<td>13%</td>
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<tr>
<td>2020</td>
<td>1%</td>
<td>27%</td>
<td>27%</td>
<td>32%</td>
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