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1 **Q. WHAT IS THE PURPOSE OF YOUR SETTLEMENT TESTIMONY IN**
2 **THIS PROCEEDING?**

3 **A.** The purpose of my settlement testimony is to present the results of ORS
4 Audit Staff's examination of the books and records pertaining to Progress Energy
5 Carolinas, Inc's. ("the Company" or "PEC") Fuel Adjustment Clause ("FAC")
6 operation. The current review period consists of actual costs from March 2009
7 through February 2010 and the Company's estimated costs for the months of
8 March through June 2010. ORS's findings from the examination of the actual
9 costs are set forth below and in the exhibits attached to this settlement testimony.

10 **Q. WHAT WAS THE PURPOSE OF THIS EXAMINATION?**

11 **A.** The purpose of this examination was to determine whether the Company's
12 accounting practices in computing and applying the monthly Fuel Adjustment
13 Clause have been in compliance with S.C. Code Ann. §58-27-865, which includes
14 variable environmental costs. To accomplish this task, ORS examined the
15 components associated with the operation of the clause.

16 **Q. WHAT WAS THE SCOPE OF ORS'S EXAMINATION?**

17 **A.** ORS Audit Staff examined and verified the monthly fuel adjustment factor
18 calculations and the fuel recovery balances recorded in the Company's books and
19 records. The current fuel examination covered the actual period of March 2009
20 through February 2010 ("actual review period") and four (4) estimated months
21 from March to June 2010. ORS Audit Staff did not examine the months of
22 March, April, May, and June 2010 since these were Company estimated figures.
23 The Audit Department's examination consisted of:

AUDIT EXHIBIT JRC-1: COAL COST STATISTICS

In Audit Exhibit JRC-1, titled Coal Cost Statistics, ORS listed spot and contract coal received, separately and combined, for the actual review period. The comparison is made in the following five (5) areas:

(1) Tons Received

(2) Percentage of Total Tons Received

(3) Cost Per Tons Received

(4) Total Received Cost

(5) Cost Per MBTU

ORS has taken the combined total received cost for the twelve (12) months and divided this by the combined total tons for the twelve (12) months to arrive at a Weighted Average Cost per ton of $93.80 for the actual review period.

AUDIT EXHIBIT JRC-2: RECEIVED COAL – COST PER TON (PER PLANT)

This audit exhibit reflects the received cost (in dollars) per ton for coal at each plant during the actual review period, including freight costs.

AUDIT EXHIBIT JRC-3: RECEIVED COAL - COST PER TON COMPARISON

This audit exhibit reflects the received cost per ton for coal for each month of the actual review period for PEC, Duke Energy Carolinas, and South Carolina Electric & Gas Company. ORS has shown, for comparison purposes, the monthly averages of the invoice cost per ton, freight cost per ton, total cost per ton, and the cost per MBTU.

AUDIT EXHIBIT JRC-4: TOTAL BURNED COST (FOSSIL AND NUCLEAR)

This audit exhibit reflects the per book cost of burned fuel used for generation during the actual review period. The burned cost of each class of fuel is shown separately. These costs are used in the computations of the base fuel factor. The SO_2 emission allowance expenses and other variable environmental costs, as described in §58-27-865 (A)(1) (Supp. 2009), are shown separately.

AUDIT EXHIBIT JRC-5: SOUTH CAROLINA FUEL COST COMPUTATION

Shown in this audit exhibit are the actual base fuel cost computations for the actual review period and the estimated fuel costs for March through June 2010. The exhibit also shows various adjustments and the base fuel cost computation of the cumulative over(under)-recovery balances for March 2009 through February 2010.

AUDIT EXHIBIT JRC-6: TOTAL ENVIRONMENTAL COSTS

Shown in this audit exhibit are the total environmental costs for the actual review period for sulfur dioxide (SO_2) and nitrogen oxide (NOx) emission allowances, ammonia/urea and limestone.

AUDIT EXHIBIT JRC-7: DETAILS OF ENVIRONMENTAL COSTS

Shown in this audit exhibit are the actual fuel cost computations for the actual review period for sulfur dioxide (SO_2) and nitrogen oxide (NOx) emission allowances, ammonia/urea and limestone. The Company's estimated variable environmental costs are also presented for March through June 2010.

Q. WOULD YOU PLEASE EXPLAIN THE AMOUNT BROUGHT FORWARD FOR THE CUMULATIVE OVER(UNDER)-RECOVERY BALANCE IN AUDIT EXHIBIT JRC-5?

A. Yes. As reflected in Audit Exhibit JRC-5, ORS brought forward a cumulative over(under)-recovery balance from February 2009 of ($10,347,089). The Company's testimony reflects an over(under)-recovery balance of ($10,347,088) brought forward from February 2009. {PSC Docket No. 2009-1-E—Barkley Exhibit No. 5}. The difference between the two balances is a $1 rounding difference.

Q. PLEASE ELABORATE ON ORS AUDIT STAFF'S COMPUTATION OF THE TRUE-UP OF OVER(UNDER)-RECOVERED FUEL COSTS.

A. ORS Audit Exhibit JRC-5, entitled "South Carolina Fuel Cost Computation" presents ORS's calculation of the actual cumulative over(under)-recovery balance through February 2010 and the estimated balance through June 2010. The cumulative over(under)-recovery amount totaled ($4,129,067) through February 2010. ORS then added the estimated over-recoveries of $737,076 for March 2010, $452,267 for April 2010, $1,065,764 for May 2010, and $590,753 for June 2010 to arrive at a cumulative over(under)-recovery of ($1,283,207) through June 2010. The Company's pre-filed testimony {Barkley Exhibit No. 5} in this docket lists the cumulative over(under)-recovery total through February 2010 as ($4,129,066) and through June 2010 {Barkley Exhibit No. 7}, the cumulative over(under)-recovery totals ($1,283,206). The difference between the

adjustment for this review period. On a system basis, the costs totaled $99,620. On a retail basis, the over-recovery adjustment totaled $11,725.

B) The Company made another adjustment to Purchased Power expenses based on the same Purchased Power contract discussed in Adjustment (2A) above. This adjustment to the Deferred Fuel Account recognizes the exclusion from Purchased Power expenses of those costs that can be identified as SO_2 expenses. Those expenses are considered to be an environmental cost component. The Company made an over-recovery adjustment to the base fuel cost component, on a retail basis, of $51.

C) The Company determined that the prices of certain purchases exceeded the "utility's avoided variable costs for the generation of an equivalent quantity of electric power." Accordingly, the Company made an adjustment to the Deferred Fuel Account balance that recognizes the exclusion of those type costs from Purchased Power transactions. The effect of the system avoided costs reduction adjustments of ($44,515), on a S.C. retail jurisdictional basis for the current actual review period, resulted in an over-recovery adjustment of $5,239 to the Deferred Fuel Account's cumulative balance in February 2010. PEC also made an additional adjustment to the Deferred Fuel Account in February 2010 for a true-up avoided cost adjustment for 2009 for $172, on a S.C. retail jurisdictional basis.

1 cumulative over(under)-recovery component of ($1,283,207) and an
2 Environmental Cost cumulative over(under)-recovery component of $394,227,
3 the combined result totals an (under)-recovery of ($888,980).

4 **Q. WHAT IS THE RESULT OF THE ORS AUDIT DEPARTMENT'S**
5 **EXAMINATION?**

6 **A.** Based on ORS Audit Staff's examination of the Company's books and
7 records, and its operation of the fuel cost recovery mechanism, it appears that the
8 Company's accounting practices in computing and applying the monthly Fuel
9 Adjustment Clause have been in compliance with S.C. Code Ann. §58-27-865.
10 ORS Audit Department is of the opinion that the Company's books and records
11 accurately reflect the fuel costs incurred by the Company in accordance with
12 previous Commission orders and with S.C. Code Ann. §58-27-865.

13 **Q. DO YOU SUPPORT THE SETTLEMENT AGREEMENT EXECUTED BY**
14 **THE PARTIES IN THIS HEARING?**

15 **A.** Yes, I do.

16 **Q. DOES THIS CONCLUDE YOUR SETTLEMENT TESTIMONY?**

17 **A.** Yes, it does.

Progress Energy Carolinas, Inc.
Coal Cost Statistics
March 2009 - February 2010
Docket No. 2010-1-E

	(1)	(2)	(3)	(4)	(5)
			SPOT		
Month	Tons Received	Percentage of Total Tons Received	Cost/Tons Received	Total Received Cost	$/MBTU
	Tons	%	$	$	$
Mar-09	13,068	1.13%	77.75	1,015,981	2.9850
Apr-09	22,831	1.98%	84.96	1,939,693	3.3119
May-09	19,609	1.95%	55.64	1,091,102	2.3142
Jun-09	20,730	1.87%	77.81	1,613,073	3.0570
Jul-09	4,700	0.48%	59.12	277,865	2.1822
Aug-09	1,232	0.12%	73.75	90,862	2.8517
Sep-09	0	0.00%	0.00	2,828	0.0000
Oct-09	4,201	0.45%	62.57	262,841	2.4477
Nov-09	17,119	2.11%	72.84	1,246,876	2.7802
Dec-09	5,270	0.67%	63.58	335,086	2.4713
Jan-10	2,381	0.34%	54.01	128,596	2.2717
Feb-10	4,384	0.52%	54.72	239,900	2.2807
Total	115,525			8,244,703	

Progress Energy Carolinas, Inc.
Coal Cost Statistics
March 2009 - February 2010
Docket No. 2010-1-E

	(1)	(2)	(3)	(4)	(5)
			COMBINED		
Month	Tons Received	Percentage of Total Tons Received	Cost/Tons Received	Total Received Cost	$/MBTU
	Tons	%	$	$	$
Mar-09	1,160,109	100.00%	95.18	110,422,799	3.8671
Apr-09	1,151,837	100.00%	88.80	102,287,371	3.6075
May-09	1,006,276	100.00%	90.18	90,743,282	3.6625
Jun-09	1,109,599	100.00%	88.09	97,746,952	3.5793
Jul-09	987,117	100.00%	92.68	91,483,073	3.7628
Aug-09	1,049,680	100.00%	97.05	101,867,015	3.9293
Sep-09	823,038	100.00%	98.59	81,144,363	3.9985
Oct-09	923,878	100.00%	101.22	93,513,479	4.1046
Nov-09	811,576	100.00%	91.28	74,079,239	3.7088
Dec-09	792,343	100.00%	96.37	76,355,045	3.9084
Jan-10	709,433	100.00%	95.92	68,048,390	3.9043
Feb-10	836,508	100.00%	93.30	78,044,024	3.8048
Total	11,361,394			1,065,735,032	

Total Received Cost = $ 1,065,735,032 = $ 93.80 (Weighted Average Cost of Coal)
Total Tons Received = 11,361,394

Progress Energy Carolinas, Inc.
Received Coal - Cost Per Ton (Per Plant)
March 2009 - February 2010
Docket No. 2010-1-E

Plant	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10
	$	$	$	$	$	$	$	$	$	$	$	$
Asheville	70.27	84.27	81.96	84.96	70.80	79.37	70.37	78.64	67.23	55.82	74.92	80.19
Cape Fear	109.51	97.79	94.27	90.00	103.42	108.35	97.63	107.45	83.62	106.26	102.47	106.62
Lee	107.91	96.92	105.27	101.39	100.61	108.99	104.97	127.50	76.15	108.15	100.18	110.62
Mayo	87.06	97.66	83.28	97.04	91.38	101.43	71.79	97.28	98.64	94.37	95.06	79.41
Robinson	86.64	95.07	88.27	67.41	92.72	107.00	106.97	95.48	106.44	94.38	102.38	90.78
Roxboro 1-3	103.09	78.62	89.51	91.40	90.83	93.42	201.61	101.78	86.90	109.66	90.91	113.73
Roxboro 4	88.48	88.96	79.53	62.24	87.55	89.37	66.88	98.15	98.92	68.15	115.23	46.80
Sutton	101.47	102.70	110.28	106.73	103.46	107.52	113.08	112.82	105.17	110.21	106.26	110.76
Weatherspoon	99.65	90.14	0.00	89.95	120.11	108.97	0.00	105.09	111.85	0.00	92.41	95.29
System Total	95.18	88.80	90.18	88.09	92.68	97.05	98.59	101.22	91.28	96.37	95.92	93.30

Audit Exhibit JRC-2

Progress Energy Carolinas, Inc.
Received Coal - Cost Per Ton Comparison
March 2009 - February 2010
Docket No. 2010-1-E

Progress Energy Carolinas, Inc.

Month	Invoice Cost Per Ton	Freight Cost Per Ton	Total Cost Per Ton	Cost Per MBTU
	$	$	$	$
Mar-09	70.68	24.50	95.18	3.8671
Apr-09	68.06	20.74	88.80	3.6075
May-09	69.04	21.14	90.18	3.6625
Jun-09	67.03	21.06	88.09	3.5793
Jul-09	70.32	22.36	92.68	3.7628
Aug-09	73.99	23.06	97.05	3.9293
Sep-09	74.04	24.55	98.59	3.9985
Oct-09	77.66	23.56	101.22	4.1046
Nov-09	76.76	14.52	91.28	3.7088
Dec-09	73.24	23.13	96.37	3.9084
Jan-10	70.95	24.97	95.92	3.9043
Feb-10	70.65	22.65	93.30	3.8048

Duke Energy Carolinas

Month	Invoice Cost Per Ton	Freight Cost Per Ton	Total Cost Per Ton	Cost Per MBTU
	$	$	$	$
Mar-09	67.52	22.52	90.04	3.6666
Apr-09	68.00	19.91	87.91	3.5594
May-09	70.29	19.78	90.07	3.6611
Jun-09	66.36	20.12	86.48	3.5020
Jul-09	70.57	21.13	91.70	3.7133
Aug-09	71.29	21.26	92.55	3.7269
Sep-09	67.58	22.98	90.56	3.6752
Oct-09	68.45	22.16	90.61	3.6870
Nov-09	68.20	22.66	90.86	3.6984
Dec-09	69.56	24.89	94.45	3.8442
Jan-10	68.18	22.79	90.97	3.7070
Feb-10	70.33	22.89	93.22	3.8175

Progress Energy Carolinas, Inc.
Received Coal - Cost Per Ton Comparison
March 2009 - February 2010
Docket No. 2010-1-E

South Carolina Electric & Gas Company

Month	Invoice Cost Per Ton	Freight Cost Per Ton	Total Cost Per Ton	Cost Per MBTU
	$	$	$	$
Mar-09	77.88	27.61	105.49	4.1800
Apr-09	82.23	27.43	109.66	4.3600
May-09	84.24	26.16	110.40	4.3800
Jun-09	78.28	30.91	109.19	4.3100
Jul-09	83.05	28.83	111.88	4.4000
Aug-09	84.22	27.38	111.60	4.4000
Sep-09	86.85	31.20	118.05	4.6500
Oct-09	87.80	23.12	110.92	4.3900
Nov-09	84.10	33.45	117.55	4.6300
Dec-09	93.50	24.77	118.27	4.6800
Jan-10	84.82	27.25	112.07	4.4400
Feb-10	74.53	34.54	109.07	4.3300

Progress Energy Carolinas, Inc.
Total Burned Cost (Fossil and Nuclear)
March 2009 - February 2010
Docket No. 2010-1-E

Used for Base Fuel Factor:

Month	Coal		Oil		Natural Gas		Nuclear Fuel		Total Burned Cost
	$	%	$	%	$	%	$	%	$
Mar-09	90,717,571	72.95%	3,584,806	2.88%	21,524,847	17.31%	8,526,119	6.86%	124,353,343
Apr-09	82,979,224	78.78%	1,383,981	1.32%	13,991,586	13.28%	6,972,363	6.62%	105,327,154
May-09	84,154,419	75.10%	2,264,996	2.02%	14,430,069	12.88%	11,199,412	10.00%	112,048,896
Jun-09	94,364,938	70.74%	1,413,777	1.06%	25,285,555	18.96%	12,320,642	9.24%	133,384,912
Jul-09	95,987,362	67.59%	1,422,568	1.00%	31,647,727	22.29%	12,957,758	9.12%	142,015,415
Aug-09	100,961,699	66.04%	1,177,874	0.77%	37,861,435	24.77%	12,867,936	8.42%	152,868,944
Sep-09	76,161,848	65.46%	1,091,713	0.94%	28,652,465	24.62%	10,450,190	8.98%	116,356,216
Oct-09	78,066,920	77.32%	1,343,782	1.33%	8,815,119	8.73%	12,745,700	12.62%	100,971,521
Nov-09	74,294,907	74.48%	1,362,064	1.37%	12,248,831	12.28%	11,842,186	11.87%	99,747,988
Dec-09	114,608,146	78.99%	1,719,191	1.18%	15,668,413	10.80%	13,095,791	9.03%	145,091,541
Jan-10	121,522,209	71.67%	7,649,090	4.51%	27,465,338	16.20%	12,929,165	7.62%	169,565,802
Feb-10	116,961,809	79.54%	1,418,440	0.97%	17,732,958	12.06%	10,930,073	7.43%	147,043,280
TOTALS	1,130,781,052	73.01%	25,832,282	1.67%	255,324,343	16.48%	136,837,335	8.84%	1,548,775,012

		ACTUAL							
		March 2009	April 2009	May 2009	June 2009	July 2009	August 2009	September 2009	October 2009
Fossil Fuel ($)		115,827,224	98,354,791	100,849,484	121,064,270	129,057,657	140,001,008	105,906,026	88,225,821
Nuclear Fuel ($)		8,526,119	6,972,363	11,199,412	12,320,642	12,957,758	12,867,936	10,450,190	12,745,700
Purchased & Interchange Power ($)		16,141,184	15,299,573	9,506,039	13,546,839	15,549,119	16,846,177	13,124,900	3,678,450
Sub-Total ($)		140,494,527	120,626,727	121,554,935	146,931,751	157,564,534	169,715,121	129,481,116	104,649,971
Less: Intersystem Sales ($)		9,740,245	8,632,751	8,343,847	7,695,772	7,748,267	9,932,284	8,318,343	8,163,291
Total Fuel Costs ($)		130,754,282	111,993,976	113,211,088	139,235,979	149,816,267	159,782,837	121,162,773	96,486,680
Total System KWH Sales Excluding Intersystem Sales (000's)		4,383,386	3,822,149	3,802,499	4,561,692	5,017,801	5,097,409	4,593,082	3,949,606
$/KWH Sales		0.02983	0.02930	0.02977	0.03052				
Less: Base Sales ($/KWH)	Note (1)	0.03151	0.03151	0.03151	0.03151	0.03002	0.03002	0.03002	0.03002
Fuel Adjustment ($/KWH)		0.00168	0.00221	0.00174	0.00099				
S.C. KWH Sales		514,268,059	450,243,429	446,254,038	532,981,714	594,209,418	604,234,009	521,514,158	495,063,511
S.C. Allocation Factor	Note (2)					0.1184	0.1185	0.1135	0.1253
S.C. Retail Basis of Total Fuel Costs						17,738,246	18,934,266	13,751,975	12,089,781
Amount Billed to S.C. Customers						17,837,358	18,138,521	15,654,557	14,860,372
Deferred Fuel Entry ($)		863,971	995,038	776,482	527,652	99,112	(795,745)	1,902,582	2,770,591
Cumulative Over/(Under) Recovery - February 2009 ($)		(10,347,089)							
Company's Accounting Adjustments ($)	Note (3)		188,492 (1)						
Cumulative Over/(Under) Recovery ($)		(9,483,118)	(8,299,588)	(7,523,106)	(6,995,454)	(6,896,342)	(7,692,087)	(5,789,505)	(3,018,914)

Note (1) - An allocation factor was used for the months of July 2009 - February 2010 and an explanation is included in the settlement testimony of Jacqueline R. Cherry.
Note (2) - S.C. Allocation Factor= S.C. Retail Sales / Total System Sales
Note (3) - Explanations of Company's Accounting Adjustments are included in the settlement testimony of Jacqueline R. Cherry.

		ACTUAL				ESTIMATED			
		November 2009	December 2009	January 2010	February 2010	March 2010	April 2010	May 2010	June 2010
Fossil Fuel ($)		87,905,802	131,995,750	156,636,637	136,113,207	114,056,692	103,709,442	98,222,874	116,698,014
Nuclear Fuel ($)		11,842,186	13,095,791	12,929,165	10,930,073	9,912,238	10,322,097	11,090,482	12,949,339
Purchased & Interchange Power ($)		3,171,484	10,698,574	19,404,593	10,159,224	7,308,558	7,197,294	7,346,053	10,593,679
Sub-Total ($)		102,919,472	155,790,115	188,970,395	157,202,504	131,277,488	121,228,833	116,659,409	140,241,032
Less: Intersystem Sales ($)		5,354,871	13,912,992	13,572,390	11,706,357	12,421,513	6,025,138	5,947,708	9,483,730
Total Fuel Costs ($)		97,564,601	141,877,123	175,398,005	145,496,147	118,855,975	115,203,695	110,711,701	130,757,302
Total System KWH Sales									
Excluding Intersystem Sales (000's)		3,720,846	4,399,250	5,400,447	4,769,194	4,167,000	3,962,878	3,979,775	4,516,265
$/KWH Sales						0.02852	0.02907	0.02782	0.02895
Less: Base Sales ($/KWH)	Note (1)	0.03002	0.03002	0.03002	0.03002	0.03002	0.03002	0.03002	0.03002
Fuel Adjustment ($/KWH)						0.00150	0.00095	0.00220	0.00107
S.C. KWH Sales		465,377,783	501,208,977	617,291,596	557,043,705	491,383,765	476,070,611	484,438,423	552,106,051
S.C. Allocation Factor	Note (2)	0.1251	0.1139	0.1143	0.1168				
S.C. Retail Basis of Total Fuel Costs		12,205,332	16,159,804	20,047,992	16,993,950				
Amount Billed to S.C. Customers		13,971,049	15,048,761	18,534,680	16,725,248				
Deferred Fuel Entry ($)		1,765,717	(1,111,043)	(1,513,312)	(268,702)	737,076	452,267	1,065,764	590,753
October 2008 - (p. 1 of 2) ($)		(3,018,914)							
Company's Accounting Adjustments ($)	Note (3)				17,187 (2)				
Cumulative Over/(Under) Recovery ($)		(1,253,197)	(2,364,240)	(3,877,552)	(4,129,067)	(3,391,991)	(2,939,724)	(1,873,960)	(1,283,207)

Note (1) - An allocation factor was used for the months of July 2009 - February 2010 and an explanation is included in the settlement testimony of Jacqueline R. Cherry.
Note (2) - S.C. Allocation Factor= S.C. Retail Sales / Total System Sales

Note (3) - Explanations of Company's Accounting Adjustments are included in the settlement testimony of Jacqueline R. Cherry.

Cumulative Over/(Under) Base Fuel Component ($) (per Audit Exhibit JRC-5)	(4,129,067)	(1,283,207)
Cumulative Over/(Under) Environmental Component ($) (per Audit Exhibit JRC-7)	715,947	394,227
Net Cumulative Base Fuel and Environmental Components ($) (Under)- Recovery Balances	(3,413,120)	(888,980)

Progress Energy Carolinas, Inc.
Total Environmental Costs
March 2009 - February 2010
Docket No. 2010-1-E

Used for Environmental Cost Factor:

Month	SO_2 & NO_x Emission Allowances		Ammonia/ Urea		Limestone		Total Environmental Costs
	$	%	$	%	$	%	$
	(234,602)	-19.74%	817,650	68.81%	605,241	50.93%	1,188,289
	158,383	10.56%	755,363	50.37%	585,871	39.07%	1,499,617
	602,625	31.48%	764,906	39.96%	546,700	28.56%	1,914,231
	458,179	22.66%	945,235	46.74%	618,858	30.60%	2,022,272
	631,466	27.06%	991,710	42.50%	710,395	30.44%	2,333,571
	592,767	27.92%	739,626	34.84%	790,442	37.24%	2,122,835
	(48,981)	-4.46%	564,956	51.41%	582,901	53.05%	1,098,876
	195,310	14.36%	532,396	39.15%	632,108	46.49%	1,359,814
	275,473	19.91%	530,091	38.32%	577,796	41.77%	1,383,360
	927,918	38.11%	678,528	27.86%	828,749	34.03%	2,435,195
	614,280	29.45%	716,206	34.34%	755,400	36.21%	2,085,886
	650,419	29.60%	747,542	34.02%	799,445	36.38%	2,197,406
	$ 4,823,237	22.29%	$ 8,784,209	40.59%	$ 8,033,906	37.12%	$ 21,641,352

Progress Energy Carolinas, Inc.
Details of Environmental Costs
March 2009 - February 2010
Docket No. 2010-2-E

Environmental Costs Incurred	Actual							
	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09
Emission Allowances ($)	(234,602)	158,383	602,625	458,179	631,466	592,767	(48,981)	195,310
Ammonia/Urea ($)	817,650	755,363	764,906	945,235	991,710	739,626	564,956	532,396
Limestone ($)	605,241	585,871	546,700	618,858	710,395	790,442	582,901	632,108
Sub-Total ($)	1,188,289	1,499,617	1,914,231	2,022,272	2,333,571	2,122,835	1,098,876	1,359,814
Less: Inter-Company Sales ($)	173,805	60,418	268,178	30,276	33,843	10,885	3,173	352,344
Net Environmental Cost ($)	1,014,484	1,439,199	1,646,053	1,991,996	2,299,728	2,111,950	1,095,703	1,007,470
S.C. Retail KWH Sales	514,268,059	450,243,429	446,254,038	532,981,714	594,209,418	604,234,009	521,514,158	495,063,511
Total System KWH Sales (000)	4,383,386	3,822,149	3,802,499	4,561,692	5,017,801	5,097,409	4,593,082	3,949,606
S.C. Allocation Factor of Total Environmen	0.1173	0.1178	0.1174	0.1168	0.1184	0.1185	0.1135	0.1253
S.C. Share of Total Environmental Costs ($)	118,999	169,538	193,247	232,665	272,288	250,266	124,362	126,236
Amount Billed to S.C. Customers ($)	432,334	348,058	335,093	400,400	138,441	143,826	133,801	116,172
Over (Under) Recovery ($)	313,335	178,520	141,846	167,735	(133,847)	(106,440)	9,439	(10,064)
Cumulative Over (Under) Recovery - February 2009 ($)	380,942							
Company's Adjustments Over (Under) Recovery ($) Note (3)				(533) (3)		7,173 (4)		
Cumulative Over (Under) Recovery ($)	694,277	872,797	1,014,643	1,181,845	1,047,998	948,731	958,170	948,106

Note (3): Explanations of adjustments are included in the settlement testimony of Jacqueline R. Cherry.

Environmental Costs Incurred	Actual				Estimated			
	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Emission Allowances ($)	275,473	927,918	614,280	650,419	520,003	503,679	514,375	572,440
Ammonia/Urea ($)	530,091	678,528	716,206	747,542	680,553	462,121	579,907	630,527
Limestone ($)	577,796	828,749	755,400	799,445	741,073	557,278	761,396	814,903
Sub-Total ($)	1,383,360	2,435,195	2,085,886	2,197,406	1,941,629	1,523,078	1,855,678	2,017,870
Less: Inter-Company Sales ($)	214,455	621,740	253,530	253,464	225,911	55,993	83,844	64,737
Net Environmental Cost ($)	1,168,905	1,813,455	1,832,356	1,943,942	1,715,718	1,467,085	1,771,834	1,953,133
S.C. Retail KWH Sales	465,377,783	501,208,977	617,291,596	557,043,705	491,384,000	476,071,000	484,438,000	552,106,000
Total System KWH Sales (000)	3,720,846	4,399,250	5,400,447	4,769,194	4,167,000	3,962,878	3,979,775	4,516,265
S.C. Allocation Factor of Total Environmental Costs (%)	0.1251	0.1139	0.1143	0.1168	0.1220	0.1198	0.1198	0.1198
S.C. Share of Total Environmental Costs ($)	146,230	206,553	209,438	227,052	209,318	175,757	212,266	233,985
Amount Billed to S.C. Customers ($)	108,753	128,921	169,622	149,869	133,319	116,664	117,537	142,086
Over (Under) Recovery ($)	(37,477)	(77,632)	(39,816)	(77,183)	(75,999)	(59,093)	(94,729)	(91,899)
Cumulative Over (Under) Recovery October 2009 ($) (p.1 of 2)	948,106							
Company's Adjustments Over (Under) Recovery ($) Note (3)				(51) (5)				
Cumulative Over (Under) Recovery ($)	910,629	832,997	793,181	715,947	639,948	580,855	486,126	394,227

Note (3): Explanations of adjustments are included in the settlement testimony of Jacqueline R. Cherry.