SCE&G CO2 Emissions

Note: Reflects emissions as filed February 2014 in the 2014 Integrated Resource Plan.
Incremental New Nuclear Acquisition

- Incremental ownership added to rate base over three years after Unit 2 is operational
- Purchase funded by free cash flows from depreciation of the new units
- No change under the Base Load Review Act mechanism
- Agreement provides that Santee Cooper will not transfer any of its remaining ownership interest in the two new units until both have been completed

<table>
<thead>
<tr>
<th>Timing</th>
<th>Incremental Percentage</th>
<th>Current Cost Estimate</th>
<th>Unit 2 &amp; 3 Ownership</th>
<th>MWs*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Operation Date of First New Nuclear Unit</td>
<td>+1%</td>
<td>$100 million</td>
<td>56%</td>
<td>+22 MWs</td>
</tr>
<tr>
<td>1st Anniversary of Commercial Operation Date</td>
<td>+2%</td>
<td>$200 million</td>
<td>58%</td>
<td>+44 MWs</td>
</tr>
<tr>
<td>2nd Anniversary of Commercial Operation Date</td>
<td>+2%</td>
<td>$200 million</td>
<td>60%</td>
<td>+44 MWs</td>
</tr>
<tr>
<td>Total</td>
<td>+5%</td>
<td>$500 million</td>
<td>60%</td>
<td>+110 MWs</td>
</tr>
</tbody>
</table>

* One-half of MWs are not available until Commercial Operation Date of Unit 3
What We Have Accomplished Since Last June

- Set Unit 2 CA20
- Set Unit 2 CV Ring 1
- Set Unit 2 condenser sections
- Set Unit 2 CA04 – reactor vessel cavity
- Cooling Towers 2A & 3A structurally complete
- Poured Unit 3 basemat
- Completed Unit 3 CR10
- Placed Unit 3 CV lower bowl
- Received multiple major components
NND Site Aerial View

- Unit 2
- Unit 3
- CA-20
- Nuclear Island
- HLD
- MAB
- Cooling Towers
- Turbine Building
- CV Fabrication
- CR-10

Confidential Treatment Requested by Santee Cooper
Unit 2 Module CA-20

- Module CA-20 is the Auxiliary Building and Fuel Handling area
- Set in May 2014
Placement of Unit 2 Module CA-20
Unit 2 Module CA-01

- Module CA-01 is the steam generator and refueling canal module placed in the containment vessel at Sanmen Unit 1.
Unit 2 Module CA-03

• Module CA-03 is the southwest wall module of the containment refueling water storage tank inside of the containment building
Unit 2 Nuclear Island

Placement of the Module CR-10

Placement of the Containment Vessel Bottom Head

Formation of Nuclear Island Walls

Inside Unit 2 CV
Placement of Unit 2 Containment Vessel Ring 1

Equipment Hatch
Unit 3 Nuclear Island

Excavation

Leveling Concrete

Upper Mudmat Installation

Confidential Treatment Requested by Santee Cooper
Unit 3 Nuclear Island

1st Nuclear Concrete Pour

Module CR-10 Complete

1st Nuclear Concrete Pour

Post 1st Nuclear Concrete Pour

Confidential Treatment Requested by Santee Cooper
Placement of Unit 3 Containment Vessel Bottom Head
Placement of Unit 3 Containment Vessel Bottom Head
## Containment Vessel

### Unit 2
- **Top Head**
- **Ring 3**
- **Ring 2**
- **Ring 1**  
  - ✔️ **Bottom Head**  
  - ✔️ **Bottom Head**

### Unit 3
- **Top Head**
- **Ring 3**
- **Ring 2**
- **Ring 1**  
  - ✔️ **Bottom Head**  
  - ✔️ **Bottom Head**

**Equipment**
- Hatches (2)
- Personnel Airlocks (2)

**Confidential Treatment Requested by Santee Cooper**

June 2014
Low Profile Cooling Towers

Cooling Tower 2A

Cooling Tower 3A

Confidential Treatment Requested by Santee Cooper
Unit 2 CA-04 Reactor Vessel Cavity Lift
Unit 2 Condenser

Unit 2 Condenser Lower Shells

Unit 2 Condenser Upper Shells

Confidential Treatment Requested by Santee Cooper
Unit 2 Turbine Island Lifts

Condenser B Lower

Condenser C Upper

CH-80
Unit 2 Turbine Building

- CH82
- CH81B
- CH81A
- CH80
- CH81-C

C Upper Condenser
B Upper Condenser
A Upper Condenser

C Lower Condenser
B Lower Condenser
A Lower Condenser
Components Arriving on Site

- Unit 2 Reactor Vessel
- Unit 2 Auxiliary Transformers
- Unit 2 Moisture Separator Reheater
- Unit 2 Diesel Generators
More Components Arriving on Site

Unit 2 Deaerator

Unit 2 Accumulator Tanks

Unit 2 Low Pressure Rotors

Unit 2 Core Makeup Tank

Confidential Treatment Requested by Santee Cooper
Even More Components Arriving on Site

- Unit 2 Generator Stator
- U2 Main Transformer
- Containment Vessel Plate Steel
- Unit 2 Condenser Water Boxes
VC Summer 2 & 3 – Suppliers

- Sharpsville Container
  Detroit, MI
- Chicago Bridge & Iron
  Plainfield, IL
- Val-Fab
  Neenah, WI
- Crane Valves
  Bolingbrook, IL
- Par Nuclear
  Shoreview, MN
- Premier Technologies
  Blackfoot, ID
- Enertech
  Brea, CA
- CCI
  Rancho Santa Margarita, CA
- Evaptech
  Lenexa, KS
- Shaw Modular Solutions
  Lake Charles, LA
- Swagelok, Solon OH
  IDEX AODD, Mansfield OH
- EFACCEC
  Norcross, GA
- Farris Engineering
  Brantford, Ontario
- Fisher Controls
  Pittsburgh, PA
- Chromalox Inc
  Pittsburgh, PA
- ASCO
  Pittsburgh, PA
- Siemens
  New Kensington, PA
- SPX Flow Control
  McKean, PA
- Curtiss-Wright
  Cheswick, PA
- Gardner Davis Nash
  Pittsburgh, PA
- Tioga
  Philadelphia, PA
- Hayward Tyler
  Colchester, VT
- Newington
  Newington, NH
- Weir Valves
  Ipswich, MA
- Tyco Valves
  Wrentham, MA
- Precision Custom Components
  York, PA
- Flowserve US
  Raleigh, NC
- Springville, NC
- Schnabel
  Foundation Co.
  Sterling, VA
- Tecsis
  Sao Paulo, Brazil
- Badger Daylighting
  Pittsboro, IN
- CCI AG
  Winterthur, Switzerland
- Mangiarotti
  Panella, Italy
- TSM Tech
  Ansan-City, S. Korea
- Samshin Limited
  Cheonan, S. Korea
- Doosan
  Changwon, S. Korea
- Toshiba
  Tokyo, Japan
- IHI
  Yokohama, Japan
VCS Unit 2 Core Barrel

• Fabricated by Toshiba in Japan

• Original plan was to fabricate at Newington, NH
SCANA will be hosting an Analyst Day New Nuclear Tour on October 2, 2014.

If you would like to attend and did not specify your interest during the registration of this event please contact someone from the Investor Relations Group.

Details to follow
 Analyst Day 2014

Gas Organization Update

Rusty Harris – Senior VP Gas Operations
Gas Distribution Overview

PSNC Energy

Service Territory:
- 512,000 customers
- 12,000 square miles
- 28 franchised counties
- 96 cities

Asset Base:
- 606 miles of transmission pipeline
- 10,201 miles distribution main
- 1 LNG facility
- No cast iron distribution main

SCE&G

Service Territory:
- 332,000 customers
- 22,600 Square Miles
- 35 franchised counties

Asset Base:
- 448 miles of transmission pipeline
- 8,661 miles distribution main
- 2 LNG facilities
- No cast iron main
PSNC Energy – Customer Usage Tracker

- Mitigates any variance in consumption
- Includes a per customer true up with actual margins with 2008 rate case

SCE&G – Rate Stabilization Act

- Adjusts rates to reset ROE to 2005 rate case ROE of 10.25%
- Rates are adjusted annually when actual ROE is +/- 50 bps of 10.25%
Current Return on Equity

SCE&G Gas

<table>
<thead>
<tr>
<th>Year</th>
<th>ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>10.6%</td>
</tr>
<tr>
<td>2010</td>
<td>8.9%</td>
</tr>
<tr>
<td>2011</td>
<td>9.5%</td>
</tr>
<tr>
<td>2012</td>
<td>10.0%</td>
</tr>
<tr>
<td>2013</td>
<td>10.7%</td>
</tr>
<tr>
<td>Q1 2014*</td>
<td>10.9%</td>
</tr>
</tbody>
</table>

Allowed ROE of 10.25%

* Preliminary Q1 2014 ROE for SCE&G Gas.
PSNC Energy Overview

PSNC Energy
2013 Margin Summary
(Represented in Millions)

- Residential: $44.80
- Commercial: $29.80
- Industrial & Other: $29.80
- Total: $162.70

PSNC Energy Customer Base
(as of April 2014)

- Residential: 91.5%
- Commercial: 8.2%
- Other: 0.3%
- Total: 100%
SCE&G Gas Operations Overview

SCE&G Gas Operations 2013 Margin Summary
(Represented in Millions)

- Residential: $46.9
- Commercial: $107.3
- Industrial & Other: $15.6

SCE&G Gas Operations Customer Base
(as of April 2014)

- Residential: 92.1%
- Commercial: 7.8%
- Other: 0.1%
PSNC Energy and SCE&G – Growth Overview

Total Net Gas Customer Growth

- **2006**
  - PSNC: 16,836
  - SCE&G Gas: 7,447

- **2007**
  - PSNC: 17,263
  - SCE&G Gas: 5,932

- **2008**
  - PSNC: 14,454
  - SCE&G Gas: 4,409

- **2009**
  - PSNC: 6,714
  - SCE&G Gas: 2,705

- **2010**
  - PSNC: 7,213
  - SCE&G Gas: 3,273

- **2011**
  - PSNC: 7,308
  - SCE&G Gas: 2,838

- **2012**
  - PSNC: 9,500
  - SCE&G Gas: 5,183

- **2013**
  - PSNC: 11,482
  - SCE&G Gas: 6,767

- **2014**
  - PSNC: 11,744
  - SCE&G Gas: 7,747

*12 months ending, Q1*
PSNC Energy and SCE&G – Growth Overview

Total Conversions

- **2009**: PSNC 973, SCE&G 885
- **2010**: PSNC 1,704, SCE&G 938
- **2011**: PSNC 2,092, SCE&G 1,010
- **2012**: PSNC 2,282, SCE&G 901
- **2013**: PSNC 2,479, SCE&G 1,055
- **2014**: PSNC 2,450

*2014 year end projection

Confidential Treatment Requested by Santee Cooper
Gas Distribution – Areas With Steady Growth

PSNC Energy

- Asheville: 1.9%
- Statesville: 1.6%
- Concord: 1.4%

SCE&G (Gas)

- Florence: 3.6%
- Myrtle Beach: 3.2%
- Charleston: 2.2%
- Columbia: 1.4%

June 2014
Confidential Treatment Requested by Santee Cooper
Over the next 20 years, 43% of U.S. population growth will be concentrated in 10 strategic growth corridors.
PSNC Energy – Construction Overview

Capital investment in pipeline assets

• Retrofit high priority pipelines for inline inspections
• Upgrade and extend pipelines to increase capacity and ensure reliability

Why now

• Climate of increasing expectations for pipeline safety
• Financing costs are low
• Competitive price of natural gas
PSNC Energy – Construction Overview

20-inch Transmission Line, Cleveland County, NC
PSNC Energy – System Overview

12-inch In-line Inspection Tool

Natural Gas Compressor Station

Confidential Treatment Requested by Santee Cooper
System Upgrades and Expansions in Raleigh-Durham Area (Triangle)
Projected Capital Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>PSNC Energy</th>
<th>SCE&amp;G Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$140,000,000</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>2015</td>
<td>$120,000,000</td>
<td>$40,000,000</td>
</tr>
<tr>
<td>2016</td>
<td>$100,000,000</td>
<td>$60,000,000</td>
</tr>
</tbody>
</table>

Confidential Treatment Requested by Santee Cooper
Operational Highlights

Safety
- Top quartile in safety in Southern Gas Association rankings

Customer Service
- Award-winning customer service

Pipeline Safety
- Strong compliance record
Emerging Trends for Natural Gas

CNG & NGVs
- Growing demand and increased supply

Increased new home construction
- New services added
  - Up 14% for PSNC Energy
  - Up 18% for SCE&G

Growing interest in firm service for large users
- Interest driven by electric power generators and other large industrial producers
Analyst Day 2014

Financial Update & The Economy

Jimmy Addison – Chief Financial Officer
## NND Positive Developments

<table>
<thead>
<tr>
<th></th>
<th>Q1 2010</th>
<th>Q1 2014</th>
<th>Positioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>COL received</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>EPC settlement included in BLRA</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>First nuclear concrete for Units 2 &amp; 3</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Construction Stage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awaiting COL Approval</td>
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<td></td>
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</tr>
<tr>
<td>Placement of Critical Item Unit 2 CA-20**</td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>CWIP invested ($bn)</td>
<td>$0.6</td>
<td>$2.5</td>
<td>✓</td>
</tr>
<tr>
<td>Average BLRA rate increase</td>
<td>2.49%</td>
<td>2.15%</td>
<td>✓</td>
</tr>
<tr>
<td># of BLRA rate increases</td>
<td>2</td>
<td>6</td>
<td>✓</td>
</tr>
<tr>
<td>Projected capital cost ($bn)</td>
<td>$6.9</td>
<td>$5.6</td>
<td>✓</td>
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<tr>
<td>Santee sell-down*</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

* Incremental 5% ownership added over three years beginning with commercial operation of Unit 2
** Reported in Q1 2014 BLRA Report

Confidential Treatment Requested by Santee Cooper
Positive Developments

Valuation

**Share Price***

- **May 2010**: $36.29
- **May 2014**: $51.59

*Source: Bloomberg as of 05/28/2010 and 05/28/2014*

**Remaining Equity Issuances**

- **May 2010**: $1,935
- **May 2014**: $1,425 (Additional)

Financing

**Credit Facility ($bn)**

- **May 2010**: $1.10
- **June 2014**: $1.80

**Remaining NND CWIP ($bn)**

- **June 2010**: $5.1
- **June 2014**: $2.9

(1) Based on Q1 2014 BLRA Filing
## CAPEX Estimated

<table>
<thead>
<tr>
<th></th>
<th>2014E</th>
<th>2015E</th>
<th>2016E</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SCE&amp;G - Normal</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Generation</td>
<td>$136</td>
<td>$145</td>
<td>$112</td>
<td>$393</td>
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<tr>
<td>Transmission &amp; Distribution</td>
<td>230</td>
<td>280</td>
<td>258</td>
<td>768</td>
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<tr>
<td>Other</td>
<td>14</td>
<td>25</td>
<td>19</td>
<td>58</td>
</tr>
<tr>
<td>Gas</td>
<td>50</td>
<td>51</td>
<td>73</td>
<td>174</td>
</tr>
<tr>
<td>Common</td>
<td>9</td>
<td>7</td>
<td>10</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total SCE&amp;G - Normal</strong></td>
<td>439</td>
<td>508</td>
<td>472</td>
<td>1,419</td>
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<tr>
<td><strong>PSNC Energy</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>79</td>
<td>58</td>
<td>42</td>
<td>179</td>
</tr>
<tr>
<td><strong>Total &quot;Normal&quot;</strong></td>
<td>646</td>
<td>677</td>
<td>601</td>
<td>1,924</td>
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<tr>
<td><strong>New Nuclear</strong></td>
<td>805</td>
<td>930</td>
<td>696</td>
<td>2,431</td>
</tr>
<tr>
<td><strong>Cash Requirements for Construction</strong></td>
<td>1,451</td>
<td>1,607</td>
<td>1,297</td>
<td>4,355</td>
</tr>
<tr>
<td><strong>Nuclear Fuel</strong></td>
<td>67</td>
<td>30</td>
<td>147</td>
<td>244</td>
</tr>
<tr>
<td><strong>Total Estimated Capital Expenditures</strong></td>
<td>$1,518</td>
<td>$1,637</td>
<td>$1,444</td>
<td>$4,599</td>
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</tbody>
</table>

*Note: Reflects new nuclear capex as filed May 2014 in BLRA Quarterly Report*

<table>
<thead>
<tr>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Incremental New Nuclear CWIP as of 6/30</strong></td>
<td>$595</td>
<td>$1,003</td>
<td>$922</td>
<td>$565</td>
<td>$435</td>
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*Note: Reflects new nuclear capex from July 1 through June 30*
# Financing Plan Estimated

<table>
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<th></th>
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<th></th>
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<tbody>
<tr>
<td><strong>Debt</strong></td>
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<td></td>
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<tr>
<td>Refinancings:</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SCANA</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>SCE&amp;G</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>550</td>
</tr>
<tr>
<td>New Issues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SCE&amp;G</td>
<td>600 ▲</td>
<td>650</td>
<td>350</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Debt</strong></td>
<td>$ 600</td>
<td>$ 650</td>
<td>$ 350</td>
<td>$ 550</td>
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<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>401(k)/DRIP</td>
<td>$ 100 ▲</td>
<td>$ 100</td>
<td>$ 100</td>
<td>$ 100</td>
</tr>
<tr>
<td>Additional (estimated)</td>
<td>100 ▲</td>
<td>125 ▲</td>
<td>200 ▲</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>$ 200</td>
<td>$ 225</td>
<td>$ 300</td>
<td>$ 100</td>
</tr>
</tbody>
</table>

▲ ~50% complete - $300 million of 50 year 4.5% bonds issued on May 27; $50 million through 401(k)/DRIP

Remaining follow-on offerings for construction period and may change between years and/or in total
Retail Rate Base & Returns

<table>
<thead>
<tr>
<th>Company</th>
<th>Regulatory Actual ROE</th>
<th>Regulatory Allowed ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCE&amp;G Electric (Non NND)</td>
<td>~10.10%</td>
<td>10.25%</td>
</tr>
<tr>
<td>SCE&amp;G Electric NND</td>
<td>11.00%</td>
<td>11.00%</td>
</tr>
<tr>
<td>PSNC(2)</td>
<td>11.50%</td>
<td>10.60%</td>
</tr>
<tr>
<td>SCE&amp;G Gas</td>
<td>~10.90%</td>
<td>10.25%</td>
</tr>
</tbody>
</table>

NND = New Nuclear Development
(1) Financing cost in rates
(2) As of 3/31/2014. Amounts represent per book returns & may not reflect NCUC’s determinations of rate base, capitalization and/or ROE
Conceptual SCE&G Blended Electric ROE

2013 Electric Rate Base

- NND ROE = 11.00%
- Non-NND ROE = 9.50%
- Blended = ~9.95%

Conceptual Electric Rate Base
Upon Plant Completion

- Non-NND ROE = 9.50%
- NND ROE = 11.00%
- Blended = ~10.31%

For illustration purposes only – Actual blended rates will change based on actual results.
Conceptual Assumptions:
- NND ROE of 11.00%
- Non-NND ROE held constant as of 12/31/2013 = 9.50%
- NND Rate Base grows based on NND CWIP from May BLRA Quarterly Report
- Non-NND Rate Base held constant as of 12/31/2013 = $4,901 million
Regulatory ROE Goal – Base Electric Business

- Manage the business to avoid a base rate increase during peak nuclear construction

- Major factors:
  - Margin Growth
    - New customers
    - Average usage
    - Weather
  - O&M Cost Control
  - Capital

(1) - As of 3/31/14
SCE&G Electric

- SCE&G is engaged in the generation, transmission, distribution and sale of electricity to approximately 681,000 customers in 24 counties and covers 17,000 square miles

- Termination of Weather Normalization Adjustment (eWNA) pilot at end of 2013
“Industry has discovered the South. Investors are interested in its possibilities. ...... The management of your Company interprets these encouraging signs as an opportunity for aggressive leadership in the post war development of the territory served.”

N. H. COIT,
President
April 10, 1945
Electric Industrials

ATTRACTION OF SC:
- Favorable business environment
- Location
- Accessibility to transportation/ports
- Reliable, affordable, clean energy
- State clearly committed to energy expansion

Industrial Sales - 1st Quarter 2014

Components:
- Chemicals
- Metals
- Rubber & Plastics
- Textiles
- Paper
- Other
- Stone, Clay, & Glass
- Lumber

Courtesy of SC Biz News / Leslie Burden
Economic Trends

- Economic Announcements: 2012 - 2014:
  - SC Territory:
    - Approximately $2.2 billion investment
    - Approximately 8,500 projected jobs
  - NC Territory:
    - Approximately $2.0 billion investment
    - Approximately 10,793 projected jobs

April Unemployment Rates

* Data for Charleston and Columbia metropolitan areas only; not seasonally adjusted
• Approximately 332,000 customers

• Customer growth has returned to pre-2007 levels

• Weather Normalization Adjustment

• Annual Rate Stabilization Act (RSA) filing

• Project a small RSA decrease for 2014
  • Customer growth
  • Expense control
• Approximately 512,000 customers

• Customer Usage Tracker (CUT)
  • Decoupler
  • Semi-annual rate adjustment

• PSNC Energy has seven consecutive quarters of 2% or greater customer growth

• Investing in capex to support customer growth
• Approximately 460,000 customers:
  • 390,000 Deregulated
  • 70,000 Regulated

• Approximately 30% of the 1.5 million customers in Georgia’s deregulated natural gas market

Source: AGL Resources, GIS Support Services
Earnings Guidance

Growth of 3% - 6% over 3 to 5 years

(1): 2013 GAAP Basic EPS
(2): 2014 EPS Guidance, Internal target $3.55
DIVIDEND POLICY: To increase the annual cash dividend at a rate that reflects the earnings growth in the Company’s businesses, while maintaining a payout ratio of 55-60%.

- Paid dividend for 249 consecutive quarters
- Increased dividend in 59 out of the last 63 years

"We are now back within our stated payout policy of 55%-60% and expect to grow dividends fairly consistent with earnings growth prospectively."
Analyst Day 2014

Questions?